Also, a bill (H. R. 10335) granting an increase of pension to John H. Bailey—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10336) granting an increase of pension to James I. Crouch—to the Committee on Invalid Pensions.

By Mr. EDWARDS of Kentucky: A bill (H. R. 10337) for the relief of George W. Vermillion—to the Committee on War Claims.

Also, a bill (H. R. 10338) for the relief of P. H. Idol and J. A. Craft—to the Committee on Claims.

Also, a bill (H. R. 10339) for the relief of Stanley E. Brown—to the Committee on Claims.

Also, a bill (H. R. 10340) for the relief of Martin A. Turner—to the Committee on Military Affairs.

Also, a bill (H. R. 10341) for the relief of Marion M. Barton—to the Committee on Military Affairs.

Also, a bill (H. R. 10342) for the relief of Pleasant G. Decker—to the Committee on Military Affairs.

Also, a bill (H. R. 10343) for the relief of Warren O. Anderson—to the Committee on Military Affairs.

Also, a bill (H. R. 10344) for the relief of James Piles—to the Committee on Military Affairs.

Also, a bill (H. R. 10345) for the relief of Ellsworth Haggard—to the Committee on Military Affairs.

Also, a bill (H. R. 10346) for the relief of Bailey Owens—to the Committee on Military Affairs.

Also, a bill (H. R. 10347) for the relief of Andy Inman—to the Committee on Military Affairs.

Also, a bill (H. R. 10348) for the relief of James M. Cook—to the Committee on Military Affairs.

Also, a bill (H. R. 10349) for the relief of Francis Denham—to the Committee on Military Affairs.

Also, a bill (H. R. 10350) for the relief of John Tucker—to the Committee on Military Affairs.

Also, a bill (H. R. 10351) to correct military record of Pleasant Thomas, late of Company B, East Tennessee National Guards—to the Committee on Military Affairs.

Also, a bill (H. R. 10352) granting a pension to Arrenee Nolen—to the Committee on Pensions.

Also, a bill (H. R. 10353) granting a pension to T. J. Ingram—to the Committee on Pensions.

Also, a bill (H. R. 10354) granting a pension to Kizzil Potter—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10355) granting a pension to Mary Howard—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10356) granting a pension to Nancy Stringer—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10357) granting an increase of pension to Jonothan Kelley—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10358) granting an increase of pension to William Perry—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10359) granting an increase of pension to Jesse F. Parker—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10360) granting an increase of pension to William Thrasher—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10361) granting an increase of pension to Madison J. Morgan—to the Committee on Invalid Pensions.

By Mr. GOEBEL: A bill (H. R. 10362) granting an increase of pension to Henry H. Bronstrup—to the Committee on Invalid Pensions.

By Mr. HANNA: A bill (H. R. 10363) granting an increase of pension to Maria A. Bradley—to the Committee on Invalid Pensions.

By Mr. HAWLEY: A bill (H. R. 10364) granting an increase of pension to Noah Hubler—to the Committee on Pensions.

By Mr. HOWLAND: A bill (H. R. 10365) granting an increase of pension to Jasper C. Downs—to the Committee on Invalid Pensions.

By Mr. KAHN: A bill (H. R. 10366) authorizing the appointment of Maj. W. R. Parnell, United States Army, retired, to the rank and grade of brigadier-general on the retired list of the army—to the Committee on Military Affairs.

By Mr. MACON: A bill (H. R. 10367) for the relief of Thomas D. Ruffin, of Woodruff County, Ark.—to the Committee on War Claims.

By Mr. MORRISON: A bill (H. R. 10368) granting a pension to Nancy A. Jarrell—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10369) granting a pension to Samuel Fleetwood—to the Committee on Invalid Pensions.

By Mr. MURPHY: A bill (H. R. 10370) granting an increase of pension to Abraham Prebost—to the Committee on Invalid Pensions.

Also, a bill (H. R. 10371) to remove the charge of desertion from the military record of James M. Larue, and for other purposes—to the Committee on Military Affairs.

By Mr. SHARP: A bill (H. R. 10372) granting an increase of pension to S. A. Williams—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

Mr. ALEXANDER of Missouri: Paper to accompany bill for relief of Levi P. Hyatt and Henry E. Gibson—to the Committee on Invalid Pensions.

By Mr. ESCH: Petition of citizens of Wisconsin against a reduction of the duty on barley—to the Committee on Ways and Means.

By Mr. HAYES: Petition of citizens of the Fifth Congressional District of California against increase of duty on gloves—to the Committee on Ways and Means.

Also, paper to accompany bill for relief of James Burke—to the Committee on Invalid Pensions.

By Mr. HOLLINGSWORTH: Petition of Cleveland Memorial Post, Grand Army of the Republic, Department of Ohio, against portrait of Jefferson Davis on silver service of battle ship *Mississippi*—to the Committee on Naval Affairs.

By Mr. GOEBEL: Paper to accompany bill for relief of Henry H. Bronstrup—to the Committee on Invalid Pensions.

By Mr. HOWELL of Utah: Petition of citizens of Cache County, Utah, for increasing rate of pensions for all survivors of Mexican and civil wars to $25 per month, and also of their widows to $20 per month, and to grant all white-race citizens born in the United States or its territories, 65 or more years of age, and to their widows, who have not married, of 60 or more years of age, a pension of $15 per month, provided such citizens or their widows are not pensioners under the existing law—to the Committee on Invalid Pensions.

By Mr. KAHN: Petition of M. A. Harder, William M. Gruver, and H. H. McCallum, of San Francisco, Cal., favoring law to exclude all Asiatics—to the Committee on Foreign Affairs.

By Mr. SHARP: Petition of W. A. Rang Lodge, No. 425, Brotherhood of Railway Trainmen, favoring S. 236, S. 1986, and H. R. 7553—to the Committee on Interstate and Foreign Commerce.

Also, petition of Mansfield Retail Grocers' Association and business men of Richland County, Ohio, favoring a parcels-post system—to the Committee on the Post-Office and Post Roads.

Also, petition of ex-Union soldiers and sailors of Mount Vernon, Knox County, Ohio, favoring granting of pensions to all widows of soldiers and sailors of the war of the rebellion without regard to date of marriage—to the Committee on Invalid Pensions.

By Mr. SMITH of Texas: Petitions of citizens of Roscoe, Colorado, Pecos, Midland, Big Springs, Snyder, and Loraine, all in the State of Texas, against a parcels-post law—to the Committee on the Post-Office and Post-Roads.

By Mr. TAYLOR of Colorado: Petitions of Denver Live Stock Exchange, of Denver, and Chamber of Commerce, of Colorado Springs, favoring retention of duty on hides—to the Committee on Ways and Means.

By Mr. WANGER: Petition of presidents and ex-presidents of the United Societies of Philadelphia for Relief and Protection of Immigrants, against the increase of immigration tax from $4 to $10—to the Committee on Immigration and Naturalization.

SENATE.

WEDNESDAY, *June 2, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

USELESS PAPERS IN THE EXECUTIVE DEPARTMENTS.

The VICE-PRESIDENT. The Chair lays before the Senate a communication from the Secretary of Commerce and Labor, transmitting, pursuant to law, a list of papers and documents on file which are not needed or useful in the transaction of the current business of that department and have no permanent value or historical interest.

In accordance with the statute the Chair appoints the Senator from North Carolina [Mr. SIMMONS] and the Senator from New Hampshire [Mr. GALLINGER] members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, for the disposition of useless papers in the Department of Commerce and Labor.

SOCIETY OF DAUGHTERS OF THE AMERICAN REVOLUTION.

The VICE-PRESIDENT. The Chair lays before the Senate a communication from the secretary of the Smithsonian Institution, transmitting, pursuant to law, the eleventh annual report of the National Society of the Daughters of the American Revolution for the year ended October 11, 1908.

The Chair desires to call the attention of the Senate to the

fact that the accompanying report contains matter in the way of illustrations, which would require the special order of the Senate for printing. If there be no objection, such an order will be made.

Mr. CULLOM. I move that it be referred to the Committee on Printing.

Mr. ALDRICH. Let it be referred to the Committee on Printing.

Mr. CULLOM. That is my motion.

The VICE-PRESIDENT. Without objection, the communication will be referred to the Committee on Printing.

FINDINGS OF THE COURT OF CLAIMS.

The VICE-PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting a certified copy of the findings of fact filed by the court in the cause of Watson, Frye & Co. *v.* United States (S. Doc. No. 71), which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT laid before the Senate the following telegram, which was read and referred to the Committee on Finance:

AUDITORIUM, ASHEVILLE, N. C., *June 1, 1909.*

VICE-PRESIDENT,
Washington, D. C.:

The Travelers' Protection Association, in convention assembled, representing 40,000 commercial travelers, respectfully petition Congress for immediate action upon the tariff question, believing that its early consummation will promote great awakening of the best interests of our country.

H. O. GRAY, *National President.*

The VICE-PRESIDENT presented a petition of the Chamber of Commerce of Spokane, Wash., praying for the adoption of certain amendments to the interstate-commerce law, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the Chamber of Commerce of Spokane, Wash., and a petition of the Oregon and Washington Lumber Manufacturers' Association, of Portland, Oreg., praying that an appropriation be made to enable the Interstate Commerce Commission to secure the valuation of all railroad properties in the United States, which were referred to the Committee on Interstate Commerce.

He also presented a petition of the American Forestry Association, praying for the enactment of legislation to provide for the acquisition of new national forest reserves, especially in the Appalachian region, which was referred to the Committee on Forest Reservations and the Protection of Game.

Mr. CULLOM presented petitions of the compositors of the Aurora Daily Beacon, of Aurora; of the mailers, compositors, and pressmen of the Joliet Daily News, of Joliet; of the Drovers' Journal Publishing Company, of Chicago; and of the stereotypers, pressmen, compositors, and counting-house employees of the Illinois State Register, of Springfield, all in the State of Illinois, remonstrating against a retention of the duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented memorials of sundry independent oil producers, farmers, landowners, and citizens, directly interested in the oil industry in the State of Illinois, remonstrating against oil being placed on the free list, which were ordered to lie on the table.

Mr. JONES presented a petition of the Chamber of Commerce of Spokane, Wash., which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

SPOKANE CHAMBER OF COMMERCE AND
SPOKANE MERCHANTS' ASSOCIATION,
May 18, 1909.

Whereas mutual confidence and stable business conditions are necessary as between shippers and the common carriers to the future welfare of the Nation: Therefore be it

Resolved by the Spokane Chamber of Commerce and the Spokane Merchants' Association, That we most earnestly indorse and recommend to Congress the passage of amendments to the interstate commerce act which shall give to the Interstate Commerce Commission, in its discretion, power to suspend the taking effect of proposed advances in existing rates, or rules affecting rates, upon a prima facie case being made showing the unreasonableness of such proposed advances in rates or changes in rules pending a hearing; which shall give to the shipper the right to route his freight, where through routes and through rates are provided for in joint through tariffs, should he desire to avail himself thereof; and which shall require carriers to quote rates in writing upon application, and upon request to insert rates in bills of lading.

Respectfully submitted.

SPOKANE CHAMBER OF COMMERCE,
By D. T. HAM, *President.*

Attest:
[SEAL.] L. G. MONROE, *Secretary.*

SPOKANE MERCHANTS' ASSOCIATION,
By A. M. TOLAND, *President.*

Attest:
J. B. CAMPBELL, *Secretary.*

Unanimously adopted by both associations this the 18th day of May, 1909.

Mr. JONES presented a petition of the Chamber of Commerce of Spokane, Wash., which was referred to the Committee on Interstate Commerce and ordered to be printed in the RECORD, as follows:

SPOKANE CHAMBER OF COMMERCE AND
SPOKANE MERCHANTS' ASSOCIATION,
May 18, 1909.

Whereas recent rate hearings before the Interstate Commerce Commission have demonstrated that the railroads place particular stress upon the enormous increase in the valuations of their properties, arrived at by their own experts and based upon an alleged increase in the cost of reproduction, and have used these deductions as an argument before the Interstate Commerce Commission to resist any reduction of present excessively high freight rates to Spokane and other interior points similarly situated; and

Whereas to employ competent expert engineers to make a fair estimate of cost of the reproduction of a single transcontinental railway as a basis of valuations would require many thousands of dollars and thereby place a financial burden upon the people of any community seeking relief from extortionate freight rates that would be excessively unjust to the people and should, of a right, be borne by the National Government: Therefore be it

Resolved by the Spokane Chamber of Commerce and the Spokane Merchants' Association, That we respectfully memorialize Congress to grant without unnecessary delay an appropriation of $1,000,000 to the Interstate Commerce Commission, to use all or such part of said sum as may be necessary to make the valuations of all railroad property at the soonest possible date; and

Resolved, That these resolutions be spread upon the minutes of our respective associations and that a copy be forwarded to the President of the United States, to the President of the Senate, to the Speaker of the House of Representatives, the chairmen of the Committees on Interstate Commerce of the Senate and House, and to the chairman of the Interstate Commerce Commission; also that a copy be sent to each of our Senators and Congressmen, and that we urge them not only to give the measure their personal support, but that they use every effort in keeping with the dignity of their office to urge their fellow-members to do likewise.

Respectfully submitted by the interstate commerce committee and unanimously adopted by both associations this the 18th day of May, A. D. 1909.

SPOKANE CHAMBER OF COMMERCE,
By D. T. HAM, *President.*

Attest:
[SEAL.] L. G. MONROE, *Secretary.*

SPOKANE MERCHANTS' ASSOCIATION,
By A. M. TOLAND, *President.*

Attest:
J. B. CAMPBELL, *Secretary.*

Mr. FRYE presented a memorial of Local Union No. 70, International Brotherhood of Stationary Firemen, of Livermore Falls, Me., and a memorial of Local Union No. 16, International Brotherhood of Pulp, Sulphite, and Paper Mills Workers, of Orono, Me., remonstrating against a reduction of the duty on print paper and wood pulp, which were ordered to lie on the table.

Mr. DOLLIVER presented a concurrent resolution of the legislature of Iowa, which was referred to the Committee on Public Lands and ordered to be printed in the RECORD, as follows:

Concurrent resolution.

Concurrent resolution memorializing the Iowa delegation in Congress to use their efforts to secure an act providing for the acquisition of certain lands at the confluence of the Wisconsin and Mississippi rivers for the use as a national park, and to secure an appropriation therefor.

Whereas the preservation of the means of health and happiness, which, through selfishness or thoughtlessness, are so likely to be destroyed, are of great importance to the American people; and

Whereas the present and future happiness and welfare of our country demands that we have permanent public pleasure grounds and parks which are accessible by many and kept as near as possible in their natural state; and

Whereas we are awakening to the fact that in order to retain for ourselves and our posterity any of the natural conditions of our rivers, lakes, hills, and bluffs with their growth of vegetation and native groves it is necessary that those tracts be taken in charge by the Government before the natural beauty has been destroyed by human greed; and

Whereas the Father of Waters flows through a valley of untold resources and wealth, which is destined as time passes to become the home of unnumbered millions, whose health and happiness demand that they have public playgrounds and parks; and

Whereas the hills and bluffs, rising hundreds of feet above the river, with numerous springs and brooklets of pure water, the flats, and islands at the confluence of the Wisconsin and Mississippi rivers are most desirable and suitable for a public park; and

Whereas said place is historical as well as picturesque, still showing the mounds and trails of the red man as they were left by him, and the rock-ribbed hills as made by the elements through the ages, with native forests but slightly touched by human hand; and

Whereas the said lands on either side of the Mississippi, as well as the numerous islands in the river, can be purchased at a reasonable price: Therefore be it

Resolved by the house (the senate concurring), That we hereby memorialize our Senators and Representatives in Congress to use their efforts to secure the enactment of a law providing for the acquisition of said territory, to be used as a national park, and to secure an adequate appropriation therefor, and that copies of this resolution be forwarded to each member of the Iowa delegation in Congress.

Mr. DOLLIVER presented house concurrent resolution of the legislature of Iowa, which was referred to the Committee

on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

House concurrent resolution.

Concurrent resolution memorializing the Iowa delegation in Congress to provide for the improvement of the post-roads in the State of Iowa and to secure an appropriation therefor.

Whereas in the early history of the State Congress provided for the construction of main lines of railroad by the donation of great tracts of public lands, and immediate development and prosperity of the State evidenced the wisdom of such legislative action; and

Whereas the roads over which rural delivery routes are established are the important connecting links between the farm and the main transportation lines: Therefore be it

Resolved by the house (the senate concurring), That we hereby memorialize our Senators and Representatives in Congress to use their efforts to procure the enactment of a law for the improvement of the post-roads in the State of Iowa under the supervision of the Agricultural Department of the United States, and to secure an adequate appropriation therefor, and that copies of this resolution be forwarded to each member of the Iowa delegation in Congress.

Mr. DOLLIVER presented petitions of sundry citizens of Ellston, Ottumwa, Davenport, and Lewis, all in the State of Iowa, praying for a removal of the duty on hides, which were ordered to lie on the table.

He also presented petitions of sundry citizens of Independence, Spencer, Miltonville, and Cedar Rapids, all in the State of Iowa, praying for a reduction of the duty on raw and refined sugars, which were ordered to lie on the table.

He also presented a petition of the Commercial Club of Fort Dodge, Iowa, praying for the appointment of a tariff commission, which was ordered to lie on the table.

Mr. DEPEW presented petitions of sundry citizens of Geneva, Seneca Falls, Phelps, Auburn, Hornell, Hammondsport, Mount Morris, Dansville, Rushville, Bath, Middlesex, Stanley, Alabama, Buffalo, Akron, Pavilion, Penn Yan, Dresden, Victor, Halls Corners, Gorham, Elmira, and Canandaigua, all in the State of New York; of Bridgeport, Conn.; Battle Creek, Mich.; and Boston, Mass., praying for a restoration of the duty on foreign oil production, which were ordered to lie on the table.

THE WOOLEN INDUSTRY.

Mr. WARREN. I present certain matter relating to the history of wool and the woolen industry. I move that it be printed as a document (S. Doc. No. 70).

The motion was agreed to.

LEATHER AND SHOE INDUSTRY.

Mr. WARREN. I present certain material relating to the leather and shoe industry. I move that it be printed as a document (S. Doc. No. 72).

The motion was agreed to.

HOURS OF DAILY SESSION.

The VICE-PRESIDENT. The morning business is closed.

Mr. ALDRICH. I ask that the resolution with reference to the hour of meeting, coming over from a previous day, may be taken up.

The VICE-PRESIDENT. The Chair lays before the Senate a resolution coming over from yesterday, which will be read.

The Secretary read Senate resolution No. 54, reported yesterday by Mr. ALDRICH from the Committee on Finance, as follows:

Senate resolution 54.

Resolved, That until otherwise ordered the Senate shall meet at half past 10 o'clock a. m.; that at half past 5 a recess shall be taken until 8 o'clock p. m.; and that the Senate shall adjourn for the day not later than 11 o'clock p. m.

Mr. CULBERSON. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clay	Heyburn	Rayner
Bacon	Crawford	Hughes	Root
Bailey	Culberson	Johnson, N. Dak.	Scott
Beveridge	Cullom	Johnston, Ala.	Simmons
Bradley	Dick	Jones	Smith, Md.
Brandegee	Dillingham	Kean	Smith, Mich.
Bristow	Dixon	La Follette	Smith, S. C.
Brown	Dolliver	Lodge	Smoot
Bulkeley	Fletcher	Martin	Sutherland
Burkett	Flint	Money	Taliaferro
Burnham	Foster	Nelson	Taylor
Burrows	Frye	Oliver	Warner
Burton	Gallinger	Page	Warren
Carter	Gamble	Paynter	Wetmore
Clark, Wyo.	Gore	Penrose	
Clarke, Ark.	Hale	Perkins	

Mr. JOHNSTON of Alabama. My colleague [Mr. BANKHEAD] is necessarily absent. He is paired with the junior Senator from Nevada [Mr. NIXON].

The VICE-PRESIDENT. Sixty-two Senators have answered to the roll call. A quorum of the Senate is present. The question is on agreeing to the resolution.

The resolution was agreed to.

THE TARIFF.

The VICE-PRESIDENT. The calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The pending amendment is on page 97, paragraph 313.

Mr. GORE. Mr. President, I shall detain the Senate but a few moments. I should not detain the Senate even for one moment if I did not feel constrained to say a few words in reply to the remarks of the senior Senator from Massachusetts [Mr. LODGE] delivered here on yesterday. That Senator had occasion to refer to a few observations which I made some two or three weeks ago with reference to fabulous dividends which had been declared by certain woolen and cotton mills situated in the New England States. I alluded particularly to the Acushnet, the Dartmouth, and the Troy cotton and woolen manufactories.

The senior Senator from Massachusetts on yesterday did not intend to place me in the light of having represented those dividends as ordinary, average, and usual dividends, but the Senator's remarks, in my judgment, were susceptible of that construction. I desire now, thus early in my career here, to place myself before the Senate in the proper light, and to assure Senators that I had no purpose then, and that I shall never have any purpose of misleading the Senate or misrepresenting the facts in relation to any subject. The Senator confessed that the dividends of the Dartmouth Cotton Company in 1907 amounted to 66 per cent, and that of the Troy Cotton and Woolen Manufacturing Company to be 67 per cent. I alluded to those dividends as exceptional. I stated that no retail merchant in Oklahoma and that no retail merchant in the State of Maine, in my opinion, had realized net earnings equivalent to those fabulous dividends.

Mr. President, I said on that occasion that the average dividends for nine years of the Acushnet Company were only 21 per cent, notwithstanding it declared in 1907 the exceptional dividend of 66 per cent, showing, sir, that dividend towering like a mountain peak above the sea level of an average of 21 per cent. I did not say then, as I might have said, that in 1908, as well as in 1907, the Dartmouth Company declared a dividend of 66 per cent. I omitted to mention that because 16 per cent was the regular dividend in 1908, and the additional 50 per cent was a special dividend; and I did not think it fair to cite a special dividend here in proof of my contention. I did not mention then, as I might have done, that the Dartmouth Company declared, I believe, on the 24th of February of this year a special dividend of 100 per cent, payable either in cash or in stocks.

The senior Senator from Massachusetts says that the earnings of these cotton manufacturers are moderate and are modest. If he asserts that to be the rule, then I shall demonstrate before I sit down to the astonishment of the Senate that there are numerous exceptions to prove this rule.

I stated on a former occasion that the Troy Cotton and Woolen Manufactory had declared in 1907 a dividend of 67 per cent. The senior Senator from Massachusetts [Mr. LODGE] explained that that excessive dividend was due to a sale of real estate. I shall show that those companies in New England have been doing a pretty thrifty real-estate business during the last nine or ten years, and if that Senator undertakes to explain these stately dividends upon that theory, he will find that he has undertaken a laborious task—doubtless a labor of love.

I knew the statement would be challenged. I bestirred myself to ascertain what explanation would be offered here. I have a telegram assuring me that the Troy Cotton and Woolen Company would explain that excessive dividend by the statement that they had made a sale of real estate. I would suggest an amendment to the name and style of that company. It should be changed from the Troy Cotton and Woolen Company to the Troy Cotton, Woolen and Real Estate Company.

But, Mr. President, that company allowed its stocks and allowed its securities to be listed, advertised, and sold to the public upon the representation that regular and special payments of 67 per cent had been made during the year 1907. I do not know exactly what estimate to place upon the commercial honor of those who will allow their securities to be sold in the market upon representations of this kind, without the slightest hint that this splendid dividend was due not to the earnings of the business, but to real-estate transactions. If those gentlemen are willing to prove their poverty by disproving their integrity, of course I am powerless to prevent it.

While those dividends may have been exceptional, while they may have risen above the sea level, I shall demonstrate to the Senate that there is a long chain of towering peaks in this

mountain range of profit. From this on I shall not allude to the earnings of these companies by subdividing them into dividends and surplus; but let me say, before I pass on, that the Troy Cotton and Woolen Manufactory is capitalized for $300,000. In 1907 it had a surplus of $422,000. The par value of that stock is $500 per share and the market value was $1,650—230 per cent over and above the par value.

Mr. President, let me say here that the dividend declared is no exact test or criterion of the total earnings of these companies. We must examine how much is declared in the way of dividends and how much is set aside as a portion of their surplus earnings. Let me illustrate what I mean.

The Massachusetts Cotton Mills, situated at Lowell, Mass., is capitalized for $1,800,000; its surplus in 1907 was $1,679,000; and its net earnings in 1907 aggregated 41.30 per cent. It declared a dividend of only 8 per cent and set aside 33 per cent of its net earnings as a part of its surplus.

In contrast with this, I allude to the Bates Manufacturing Company, situated at Lewiston, Me. It is capitalized for $1,200,000. In 1907 its surplus was $1,100,000, and its net earnings in that year aggregated 41.87 per cent; we will call it 42 per cent. It declared a dividend of 35 per cent, and 6 or 7 per cent was transferred to the account of its surplus. It is no answer to say that these plants are worth more than the nominal amount of their capitalization. It does not meet the issue. It evades the issue to say that these manufactories are worth more than the face value of their stocks plus their accumulated surplus. Of course they are. The value of these plants, of these factories, must be determined not by the amount of stock issued, but by the proven, the assured, earning capacity of the establishment itself. This is the only yardstick, this the only standard.

Now, there is one other mill situated in the State of Maine which I will mention. I refer to the Pepperell Manufacturing Company, located at Biddeford, Me. During the last nine years it has declared dividends averaging only 24 per cent. In 1905 its dividends were 47 per cent; in 1906 its dividends rose to the modest amount of 62 per cent on its capitalization. You see, the real-estate business was pretty brisk during the year 1906.

Now, then, I will cite only one mill in the State of New Hampshire. It really has no place in this gilded company. I allude to the Great Falls Cotton Manufacturing Company, of Somersworth, capitalized at one and a half million, having a surplus of $987,000, and its net earnings in 1907 was the miserable pittance of only 21 per cent. You see, the real-estate business in New Hampshire is not so profitable as in the State of Maine and the State of Massachusetts. I make no mention of the Laurel Lake Company, whose earnings in 1907 barely exceeded 28 per cent, and it is, therefore, not entitled even to passing notice.

But, Mr. President, the half has never yet been told. I come now to the American Linen Company, situated at Fall River, Mass. In 1907 its net earnings were only 30 per cent, 11 per cent being announced to the world as its dividend, a mere foothill in the mountain chain.

Again, Mr. President, there is the Tecumseh Mills, located in the same city. Its net earnings in 1907 were 34 per cent on its capital stock, rather a modest earning for a company situated in that section.

In 1907 the Border City Manufacturing Company did a little more prosperous real estate business and realized net profits aggregating 37½ per cent, but its dividends were only 23½ per cent, the remainder going into its accumulated surplus.

Not only that, Mr. President, the Pierce Manufacturing Company, of New Bedford, Mass., in 1907 declared a dividend of only 32 per cent on its capitalization. The Hathaway Company announced, as I remember, a dividend of only 40 per cent, sustaining, I suppose, some reverse in its real estate transactions. The Union Cotton Manufacturing Company of Fall River—that is a patriotic name—realized in 1907 net earnings aggregating 46 per cent. I believe its declared dividend, however, was only 35½ per cent.

Mr. President, "Hills peek o'er hills and alps on alps arise." I come now to the Sagamore Manufacturing Company, which was a little more fortunate in its real estate transactions than these other companies. In 1907 its net earnings rose to the lofty altitude of 48½ per cent, declaring, I believe, an unpretentious dividend of only 30 per cent, allowing 18 per cent to go into its surplus. I shall not advert to the Bourne mills which, in 1903, confessed to a dividend which towered up to 49½ per cent. That is ancient history.

Mr. President, I shall not weary the patience of the Senate by a long, tedious, and monotonous recital of these exceptional profits. I mention these exceptions merely to prove the golden rule that their earnings are both moderate and modest. But I come now to the tallest peak of this mountain range of net earnings; I come to the Pikes Peak, the Mont Blanc, the Mount Everest of the entire range, so far as I have been able to explore the system. I refer now to the Algonquin Printing Company, a company engaged in the manufacture of cotton fabrics of various dyes. That concern was organized in 1893, when the panic was running riot in this country. It is capitalized at $500,000. It had on hand, in 1907, a surplus amounting to $750,000—I believe about 150 per cent of its entire capitalization. During the last nine years its net earnings have aggregated 607 per cent, six times the entire amount of the capital invested. Its average annual return to its stockholders during the last nine years has been the modest amount of 67½ per cent. So you see these companies have been fairly prosperous in their real estate transactions, taken in connection with their business as manufacturers of cotton and other fabrics. For these statements and statistics I have four several authorities of the very highest character. They are alike unimpeached and unimpeachable. Three of them reside in the very shadow of the factories. They are Edwin J. Cole, banker and broker, of Fall River; Sanford & Kelly, bankers and brokers, of New Bedford; A. B. Turner & Co., of Boston; and last, but not least, Moody's Manual of Industrial Securities.

Mr. President, it is no wonder that these gentlemen had the candor to say that the Dingley law was entirely satisfactory to them. It certainly is sufficient to satisfy a restrained and reasonable appetite like theirs. If they had demanded more, they would have placed themselves in the category with the horse leech's daughters, raising the constant cry of "more, more, more." I do not characterize those gentlemen as robbers; I doubt not that they are worthy citizens. I know they are intelligent citizens, judging by their business success and by their selection of United States Senators.

I say, again, that I do not stigmatize those gentlemen as robbers or as bad citizens. Indeed, sir, I can not criticise them for these high profits. That is the fault of the system. I complain of the legislation; I complain of the legislators who have made these enormous profits both a possibility and a reality. I think that the cotton planters of the South, whose net earnings annually are only $71, as demonstrated by the junior Senator from South Carolina [Mr. SMITH], have a right to complain that when they sell the raw material for a song, the manufacturers, who convert it into the finished product, realize net earnings ranging from 6 to 66 per cent; and the farmers of the great and golden West have a right to complain that they are taxed upon these fabrics, not in order to pay high dividends and high profits to the manufacturers, but are taxed, as the apostles of protection pretend, to pay living wages to American laborers who are employed in these mills.

Mr. President, the average farmer in Kansas, Iowa, and Oklahoma could not carry on a conversation with his fellow-citizens, these American laborers in these manufactories. Unfortunately, they can not speak our mother tongue. From once classic Greece have come the descendants of Penelope, the ancient weaver, who are now tending the looms of New England.

We tax the farmers of the South and the West to pay those laborers good wages and to pay the profits of the manufacturers, but I have a lurking suspicion that those good-natured, philanthropic, and benevolent manufacturers do not divide their net earnings on the square with the American laborers.

Mr. President, I am sorry to have been obliged to have taxed the patience of the Senate on this occasion, but I felt constrained, in view of the remarks of the Senator from Massachusetts [Mr. LODGE] on yesterday, to say this much in justification of what I had said on a former day. I want to say again that the half has not yet been told; and if those gentlemen furnish explanations when it is signified to them that explanations would be acceptable, I shall furnish still other instances, which may call with equal clamor for justification before the laborers, the farmers, and the retail merchants of this country, who have been charged with extortion, and in whose behalf I felt called upon to reveal these exceptional, enormous, and fabulous profits realized by these manufacturers. I doubt if half the retailers in the United States have realized earnings ranging from 6 to 66 per cent. I doubt, sir, if 1 per cent of them have enjoyed profits rising to anything like that lofty summit. In fact, take the profits—the net earnings of the manufacturers and merchants—and no one can doubt on whose side the excessive and fabulous dividends will be found. The retail merchant must be acquitted of extortion. Some of the manufacturers, at least, will find it difficult to escape conviction.

The VICE-PRESIDENT. The question is on agreeing to the committee amendment to paragraph 313.

Mr. BACON. I hope it may be stated to the Senate, so that we may know what it is.

The VICE-PRESIDENT. The amendment will be again stated, if there be no objection.

Mr. BACON. I do not think it has yet been stated.

The SECRETARY. In paragraph 313, page 97, after the words "cotton cloth," it is proposed to insert the words:

Valued at not over 7 cents per square yard, not bleached, dyed, colored, stained, painted, or printed, and not exceeding 50 threads to the square inch, counting the warp and filling——

Mr. BACON. I did not know the question was on the long amendment which had been read on yesterday. I supposed it was another amendment. I shall not ask to have it read, unless some other Senator desires that it shall be.

Mr. NELSON. Mr. President, I am aware that anything that may be said on this subject relating to the cotton schedule and the increase of duties will be of little effect in this Chamber. I am also aware that, notwithstanding what may be pointed out as to the action of the Finance Committee in this matter, still, right or wrong, the rule of the Finance Committee will prevail.

Yesterday we had from the senior Senator from Massachusetts [Mr. LODGE] a long discussion as to the meaning and import of the Republican platform adopted at Chicago last summer in respect to the question of a revision of the tariff. I am not questioning what the New England idea may have been of that platform. I can only speak for the people of the West, of the Mississippi Valley, and not beyond. With us that platform was understood to mean a revision downward. If all which was intended by the revision of the tariff was to correct inequalities, all that we needed to do was to provide an additional revenue and leave the Dingley law intact.

I do not think it was the common understanding of the people of this country that that tariff needed a revision simply to adjust certain inequalities. No one had any such idea. The popular mind had for years been bent on a revision of that tariff on a downward basis. In the Republican convention at Chicago in 1904 was the first time the rule was adopted in our platform that a just measure of protection was the difference of cost in the production at home and abroad. That principle had never before been inserted in our platform.

I happened, Mr. President, to be on the committee on resolutions in that convention and on the subcommittee that prepared the platform. It was upon my suggestion that that provision was inserted. I offered an amendment to the effect that the just measure of protection was the difference in the cost of production at home and abroad; but my amendment was to some extent emasculated by inserting the words "at least," so that it finally emerged from the committee in the condition that the just measure of protection should be at least equal to the difference in the cost of production at home and abroad. The same phraseology, in a modified form, was found in the platform of 1908—that the just measure of protection was the difference in the cost of production at home and abroad—with the addition that the manufacturers or the protected interests should have a reasonable profit. That was the first time in our history when an attempt was made to inject into a platform the provision that the Government was to guarantee to the people a reasonable profit. But I shall enter into no discussion of that subject any further than simply to say that throughout the Mississippi Valley not only was it the understanding among our people that the revision was to be downward, but all our candidates who addressed the people on the hustings—our candidate for President, among others—gave our people to understand that the revision of the tariff was to be an honest downward revision.

I have heard a great deal in this Chamber of late to the effect that we ought to hasten with the consideration of this tariff legislation and dispose of it; that the business of the country is awaiting action here, and is at a standstill. Mr. President, the business of the country need not be alarmed, for there is no downward revision. The only thing they will have to wait for is the upward revision, to see how much they have got to mark up their goods. They can all assume, and they all have a right to assume from what has transpired here in the Senate, that there will be no downward revision of any substantial character, at least no downward revision that they do not themselves expressly consent to.

Now, what about this cotton schedule—and I am coming particularly to that in order that we may fully understand it? But before I come to that, I want to call the attention of the Senate to the fact that yesterday, when the Senator from North Carolina asked the Senator from Massachusetts, near the closing part of his speech, whether the amendments to these paragraphs relating to the cotton schedule—cotton cloth—increased the duty or not, the Senator from Massachusetts evaded him and gave him no definite information on the subject.

Mr. President, I propose to demonstrate, as far as I can, and, if possible, to show, that there is something more in these amendments to the paragraphs from 313 to 317, inclusive, than the mere matter of correcting discrepancies that have arisen from the decision of the appraisers at New York as to the value of goods. To understand the question fully, I will say, in the first instance, to Senators, that if they will follow me and look at paragraphs 313 to 317, inclusive, they will find that those paragraphs segregate the cotton schedule into five different classes, based upon the number of threads to the square inch.

Take paragraph 313. The Dingley law provided for two classes of rates, one rate based upon the number of square yards to the pound; that is, a given piece of cotton cloth with not exceeding 100 threads to the square inch, and with so many square yards to the pound, was assessed a special duty, varying as to different classes or different brackets. Then there was a proviso in the Dingley law in all these paragraphs making an ad valorem rate upon these specific goods.

In the Senate committee amendment that has been presented this proviso, which is based on an ad valorem rate, has been stricken out, and they have inserted a set of specific rates. I want to call your attention to these figures and compare them with the ad valorem rates fixed in the Dingley law.

Take paragraph 313, on page 90. The Dingley ad valorem rate on goods not bleached, referred to in paragraph 313, was 25 per cent; on bleached goods, 25 per cent ad valorem; and on dyed, colored, painted, and so forth, 30 per cent ad valorem. That was the ad valorem rate in the Dingley law. That was in addition to the rate fixed upon the number of square yards in the pound. What are the amendments covering that? What is the substitute for the ad valorem rate in the proviso of the Dingley law which is stricken out? I have taken pains to figure it out, and I will say to Senators how I have figured it as nearly as it is possible, without the data as to the importation of goods. For instance, where the amendment uses the phrase "value at over 7 and not over 9 cents per square yard," I have taken the intermediate figures, the halfway figures, and assumed that the cloth was 8 cents a square yard—that is, I have taken the halfway points between the two extremes as a basis.

Figuring it out on that basis, the ad valorem rate under the Dingley law, as I have said, on unbleached cotton goods under paragraph 313 was 25 per cent ad valorem. Under this amendment, to which I call your attention, the first amendment in italics on page 98, the rate will be as follows—it is made into five brackets or classes: The first is 28 per cent, the next is 31.6 per cent, the third is 39 per cent, the fourth is 41.5 per cent, and the next is 46.6 per cent, showing a difference between those figures and the ad valorem rate of the proviso contained in paragraph 313. If that is not an increase, I should like to have somebody tell me who is better informed than I am why it is not.

Take the next Senate committee amendment, commencing at the foot of page 98—and this paragraph relates to cotton cloths with less than 100 threads to the square inch. Coming to that paragraph, on bleached goods the ad valorem rate in the proviso in the Dingley law is 25 per cent. What is it here? It is divided into five brackets, running as follows: Twenty-seven and five-tenths per cent, 37 per cent, 38.88 per cent, 42 per cent, 47.08 per cent. Those are the rates substituted for the 25 per cent ad valorem rate of the Dingley law to meet the question that was raised yesterday by the Senator from Utah as to the undervaluation or as to the effect of the decision of the appraisers at New York. That does not go to the question of what the Dingley law fixed. The Dingley law fixed an ad valorem rate of 25 per cent on unbleached, 25 per cent on bleached, and 30 per cent on dyed, printed, and painted goods. That was the rate. The question whether that rate was evaded or not has nothing to do with the measure of the tariff imposed. It was a 25 per cent rate, and against that you have these five different classifications, every one of them exceeding the ad valorem rate in the Dingley law. Now these rates in italics——

Mr. BEVERIDGE. Mr. President——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Indiana?

Mr. NELSON. I will yield by and by. While the rates in italics are specific rates, I have taken the pains to reduce them to ad valorem rates for the purpose of comparing them with the Dingley rates. Now I yield to the Senator from Indiana.

Mr. BEVERIDGE. Perhaps the sentence that the Senator is coming to may answer my inquiry. This was the question:

The Senator stated what the Dingley rates were, and then he has stated that the Senate committee amendment greatly increased the Dingley rates.

Mr. NELSON. Certainly.

Mr. BEVERIDGE. What explanation to that has the committee made? I can not remember that point in either of the speeches yesterday.

Mr. NELSON. When the Senator from North Carolina asked the Senator from Massachusetts last night about it, he gave us no explanation. Either he did not know or he was not in a position to give the information.

Coming to the last amendment in paragraph 313, the words in italics, commencing at the foot of page 99, which relate to dyed goods, and comparing those rates with the ad valorem rates of the Dingley law, which are 30 per cent, you will find that they are divided into five brackets, running as follows: Thirty and sixty one-hundredths per cent, 38.32 per cent, 43.21 per cent, 41.60 per cent, and 47.61 per cent, showing as clear as anything could be that there is a large increase over the rates of the Dingley law.

As I said a moment ago, I am aware of the fact that my figures are not absolutely correct, because you can not get the correct figures until you get the importations. Goods may come in at various figures; but I have taken as a basis—which is the nearest we can come to it in the present status of affairs—the intermediate figure between the two extremes. For instance, here in paragraph 314 are the words "valued at over 9 and not over 10 cents per square yard." I have taken the basis there of 9½ cents a square yard and figured it out.

What I have said in reference to paragraph 313 applies in equal measure and to a greater extent to paragraph 314. Under the proviso contained in the Dingley law, which you will find stricken out in paragraph 314, at the top of page 102, the ad valorem rate on unbleached goods is 30 per cent; on bleached goods, 35 per cent; and on dyed and printed goods, 35 per cent. That proviso is stricken out; and in lieu of that are inserted the words found in italics on page 102, which I will not take the time of the Senate to read; but I have figured out what those rates amount to. On unbleached goods they are again divided into five classes, or five brackets, and they run as follows: Thirty-one and fifty-seven one-hundredths per cent, 38.88 per cent, 41.5 per cent, 43.33 per cent, and 47 per cent, as against the 30 per cent ad valorem rate contained in the Dingley law, showing large increases, in some instances of more than 50 per cent, over the rates of the Dingley law.

Coming now to the other class of bleached and dyed goods, which are all under the same rate, under the Dingley law the ad valorem rate on bleached and dyed is 35 per cent. What is it here? Under the amendment proposed by the Senate committee the rates on bleached cotton in paragraph 314—there are five brackets, five classes—run as follows: Thirty-six and ninety-five one-hundredths per cent, 38.88 per cent, 42 per cent, 44.44 per cent, and 47.61 per cent, showing an increase in every instance, from the highest to the lowest bracket, and in the highest of more than 50 per cent.

Coming, in the next place, in the same paragraph to dyed, colored, and painted goods, under the Dingley law the rate on goods included in that paragraph is 35 per cent. In the Senate amendment they are put in four classes, and the rates run as follows: Thirty-eight and eighteen one-hundredths per cent, which, you will perceive, is in excess of the rate in the Dingley law—38.18 per cent, 43 per cent, 42.13 per cent, and 47.61 per cent. Here, again, there is an increase on every one of these paragraphs way beyond the rates in the Dingley law.

What is true, Mr. President, as to paragraph 314 is also true as to paragraph 315. Under paragraph 315, by the proviso contained in the Dingley law, the ad valorem rate was fixed at 35 per cent on cotton goods not bleached, and so forth; on bleached goods, 35 per cent; and on goods dyed, painted, printed, and so forth, 40 per cent. What are the rates substituted for those Dingley rates in this bill? The first amendment in paragraph 315 makes five different classes, and the rates run as follows: Thirty-eight and eighty-eight one-hundredths per cent, 41.50 per cent, 43.33 per cent, 44.44 per cent, and 47.61 per cent—every one of them an immense increase over the Dingley rate.

In the next bracket, relating to bleached goods, the figures are as follows: 38.88, 41.90, 44.44, 47.61, as against 35 per cent of the Dingley law.

Coming now to the next class, those that are dyed, painted, printed, and so forth, in paragraph 314, the ad valorem rate of the Dingley bill is 35 per cent, and the rate under this bill is divided into four specific classes, 43.63, 43, 42.17, and 47.51 per cent.

The same thing holds true in reference to paragraph 316. It will be observed that in the Dingley law, in all these paragraphs to which I refer, from 313 to 317, there is a proviso which applies an ad valorem rate in addition to the specific rate.

Under paragraph 316 the ad valorem rate of the Dingley law, found in the proviso on unbleached, bleached, and dyed, the three different classes, was 40 per cent. In this bill they are segregated into three different classes. On the first class, those that are not bleached, dyed, and so forth, the rates fixed in the bill are ad valorem rates equal to 41.50, 43.55, 44.44, and 44.51, demonstrating clearly an immense increase in this schedule.

Now, coming to the next class, goods that are bleached, we find the same discrepancy in the amendment of the Senate committee. The ad valorem rates are equal to 42 per cent, 44, 44.41, 50, and 48.7, showing in every instance an increase over the Dingley rates of 40 per cent.

The same thing holds true in reference to goods that are dyed, painted, printed, and so forth. The ad valorem rate in the Dingley Act is 40 per cent. The ad valorem applying to specific rates in the Senate amendment is 42.13, 50, and 48 per cent.

What I have said about these other paragraphs applies with equal force to paragraph 317. Under the Dingley law, by virtue of the proviso, the ad valorem rate as to all those classes, unbleached, bleached, and dyed, is 40 per cent, while under the Senate amendment to this paragraph, on unbleached cotton the rates are 44.33, 44.44, 50, and 48.7. Those are the specific rates reduced to an ad valorem basis. On bleached goods, under the Senate amendment, the rates will be 44.44, 50, and 48.07, showing in every instance a large increase over the ad valorem rates under the Dingley Act.

The same holds true in reference to painted, dyed, and printed goods. The ad valorem rates of the Dingley Act are 40 per cent in the proviso which has been eliminated. The rates in the Senate amendment amount to 50 per cent. Under the Senate amendment it is segregated into two classes, one at the rate of 50 per cent, the other at the rate of 48 per cent. I think that by these figures—and they are as accurate as they can be made without having the actual importations before us—I have demonstrated that this bill increases the rates of the Dingley bill all the way from 10 per cent to more than 50 per cent over existing rates.

There is another question which has troubled me about this matter, and that is this: I call the attention of the Senate to paragraph 313, for the purpose of illustrating what I mean. I will read the paragraph:

313. Cotton cloth, not bleached, dyed, colored, stained, painted, or printed, not exceeding 100 threads to the square inch, counting the warp and filling, and not exceeding 6 square yards to the pound, 1¼ cents per square yard.

There is a rate based not only upon the threads in the square inch, but based upon the number of yards to the pound. Then that is followed, after making another class or two of the same kind, based upon the weight of goods, by those valued at over 7 and not over 9 cents per square yard, 2¼ cents per square yard.

This seems like a cumulative duty. If a piece of cloth, not exceeding 100 threads to the square inch, weighs so many pounds to the square yard, or so many square yards to the pound, it is liable to a certain duty based upon that weight. Then, in addition to that, if that class of goods comes within the valuation fixed in the Senate amendment, why is it not subject to that additional rate based upon value? In other words, is there not something in this bill in the nature of a cumulative rate—first, a rate based upon weight; secondly, a rate based upon the value of the goods? As I said, if a given piece of goods comes within the proper schedule of weight and also comes under the valuation specification, why should it not, under this bill, be subject to a twofold rate of duty, one based upon the rate and the other based upon value?

I am confirmed in this suspicion by turning to paragraph 318, and I wish to call the attention of the Senate to the peculiar language injected into that paragraph. I am calling attention to the language in the Senate amendment on page 109. I quote the following, commencing in line 5 on that page:

In the ascertainment of all the particulars, including weight and value, upon which the duties, cumulative or other, imposed upon cotton cloth are herein made to depend, the entire fabric shall be included.

Those words seem to imply to my mind that in passing upon these goods, as to what rate of duty they are to pay, you are not only to take into account their weight, but also their value, and you are to make allowances at both points.

If a given piece of cloth comes in on its weight, it is liable to a certain specific duty prescribed in the bill. If it comes under the specific valuation based upon a particular value, it is liable to the duty fixed as against that valuation. Now, at all events, whatever the construction may be, it seems to me that this bill,

in these paragraphs, is open to the suggestion that it leads to cumulative duties; and if it leads to cumulative duties—if I am correct in that regard, although I may be wrong—it would more than double the duties of the Dingley law upon cotton goods. But aside from that——

Mr. BEVERIDGE. I wish merely to ask a question for information. Will the Senator kindly explain just at this point what cumulative duties are?

Mr. NELSON. Cumulative duties are where you have one duty mounted on top of another.

Mr. BEVERIDGE. I know; but how does that come about?

Mr. NELSON. It comes about, as I understand it, in this way: You first levy a specific duty based upon the weight of the cloth. If a given piece of cloth does not exceed, for instance, 100 threads to the square inch, and, in the language of the bill, not exceeding 6 square yards to the pound, it pays a duty of 1¼ cents per square yard. That is perfectly clear. On a piece of cloth that does not exceed 100 threads to the square inch, including the warp and filling, and not exceeding 6 square yards to the pound, the duty is 1¼ cents per square yard.

Then the next paragraph says—I go on and skip and come down to the Senate amendment—

Valued at over 7 and not over 9 cents per yard, 2¼ cents per square yard.

There you have two classes of duties, one based upon weight and the other upon the value, and as the phraseology of the bill is, it seems to me it is liable to the construction that it amounts to cumulative duties.

Mr. BEVERIDGE. That is, that those two shall be added together?

Mr. NELSON. Yes, sir. If a given piece of cloth reaches the description, comes within the valuation and comes within the bracket of weight, then it is liable to both classes of duties. That the bill has something of this kind in view is evident from the cautious and unique amendment inserted on page 109 in italics. I will read it again. This is the paragraph which immediately succeeds the ones relating to the cotton schedule. These peculiar words are found in the Senate amendment:

In the ascertainment of all the particulars, including weight and value, upon which the duties, cumulative or other, imposed upon cotton cloth are herein made to depend, the entire fabric shall be included.

Mr. BEVERIDGE. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Indiana?

Mr. BEVERIDGE. I suggest the absence of a quorum.

Mr. NELSON. Oh, I do not care.

Mr. BEVERIDGE. I do.

Mr. NELSON. These high protectionists do not care to hear me. Never mind.

Mr. BEVERIDGE. I do.

The VICE-PRESIDENT. Does the Senator from Minnesota yield for that purpose?

Mr. NELSON. I do not care.

The VICE-PRESIDENT. The Senator from Minnesota declines to yield.

Mr. NELSON. I decline to yield.

Mr. BACON. Mr. President, I have no interest in the matter except the preservation of the rules. I sympathize with the Senator——

The VICE-PRESIDENT. Does the Senator from Minnesota yield to the Senator from Georgia?

Mr. BACON. I rose to a question of order.

The VICE-PRESIDENT. The Chair did not so understand the Senator from Georgia.

Mr. BACON. I say I have no interest in the question raised except in the interest of the preservation of the rules. I was going to say that I entirely sympathize with the feelings of the Senator from Minnesota that he does not care to have present those who do not wish to hear him, but at the same time the rule of the Senate is absolute and imperative that whenever there is the suggestion of the absence of a quorum all else must be suspended and nothing can be done until that question is determined.

Mr. BEVERIDGE. I could not take the Senator from Minnesota off his feet.

Mr. BACON. The Senator can make that suggestion at any time.

Mr BEVERIDGE. I could only do it by getting the floor, and the Senator from Minnesota has the floor, and he has declined to yield, and therefore I could not get the floor for the purpose of suggesting the absence of a quorum.

Mr. BACON. I do not at all acknowledge the correctness of that statement of the rule.

Mr. HALE. I think, if the Senator will allow me, that the Senator from Indiana has stated the rule precisely as it has always been enforced. A Senator speaking can not be taken from the floor, even to suggest the lack of a quorum, unless he yields. It is only by yielding or otherwise that the suggestion of the lack of a quorum can be made. I think the Chair is entirely right, and that the rule is as stated by the Senator from Indiana. It must depend upon the Senator from Minnesota whether he yields or not.

Mr. BEVERIDGE. In other words, the Senator must yield before another Senator can get the floor.

The VICE-PRESIDENT. Certainly.

Mr. BACON. I have not had as long experience here as the Senator from Maine, but I have been here a number of years, and I have never before in that time heard on the floor of the Senate a suggestion of that kind.

Mr. HALE. Mr. President——

Mr. BACON. The Senator will pardon me. I ought to be permitted to make my statement before the Senator from Maine replies to it.

Mr. HALE. Certainly.

Mr. BACON. The incorrectness of that construction, it seems to me, can be very easily demonstrated. It is not the personal privilege of a Senator which is being asserted by him to the extent that he would have to take the floor in order to exercise it. He is in the discharge of a duty higher than a personal privilege. It is the duty of every assembly to have a quorum present while business is being transacted, and the effort to insure that is not the exercise of the personal privilege of a Senator in any effort to get the floor for the purpose of addressing the Chamber. It is a different purpose altogether. It is a fundamental proposition in every parliamentary body that a quorum must be present. It is true it is sometimes only constructively observed. It nevertheless exists. If one Senator can get the floor and hold it against the suggestion of the absence of a quorum, it would be a very simple matter for a Senator to get the floor and have nobody present but himself and one other Senator perhaps, and so, by refusing to yield the floor, the question could never be raised whether other Senators should be present. It is absolutely untenable. I challenge the Senate to show any possible construction upon which such a contention can be properly based. It puts it in the power of one Senator, for instance, when we have night sessions, to address the Chamber any night, and after he has once obtained the floor he may hold it for hours and not permit the suggestion of the absence of a quorum, while his political associates, perhaps, are absent taking their rest, although the opposite side would be compelled in self-defense to be present. That would put an undue power in the hands of the minority or of oppression in the hands of the majority. It seems to me there is no possibility of defense for any such construction.

If the Senator from Indiana should rise for the purpose of asserting some personal right, or to ask a personal privilege, it would be a different matter. Then he would have to have the floor upon the consent only of the Senator having the floor. But he does not rise at this time for the purpose of asserting a right. He is here rising to a question of order, and a man can rise to a question of order at any time, I care not who has the floor. It is the highest question of order that a quorum is present.

Mr. BEVERIDGE. Will the Senator permit me?

Mr. BACON. Yes.

Mr. HALE. The Senator declined to yield to me.

Mr. BACON. I yield to the Senator from Maine. I did not decline to yield to him except merely to state the proposition before doing so.

Mr. BEVERIDGE. No, but——

Mr. BACON. No; I yield to the Senator from Maine.

Mr. BEVERIDGE. Before the Senator from Maine goes on I wish to call attention to the rule which, after all——

Mr. BACON. There is so much buzzing of conversation around that I can not hear.

Mr. BEVERIDGE. Before the Senator from Maine proceeds, I wish to call attention to the rule which seems to me to give some support to the contention of the Senator from Georgia:

If, at any time during the daily sessions of the Senate, a question shall be raised by any Senator as to the presence of a quorum, the Presiding Officer shall forthwith direct the Secretary to call the roll.

Mr. HALE. That is the rule, well understood. I think the Senator from Georgia, who is very old and experienced in all such questions, misapprehends the modus operandi of the entire rule and of the course of the Senate proceedings. The suggestion of a lack of a quorum can not be made by a Senator sitting in his seat and declaring that he believes no quorum is present. He can only suggest that when he gets the floor. He can

not exclaim "There is no quorum here, and I call attention to that," and then claim that the roll shall be called. He can only make the suggestion by addressing the Chair, and when he addresses the Chair for the purpose of making the point, the Chair addressing the Senator then speaking and occupying the floor, has but one thing to do, no matter what is in the mind of the Senator who is addressing the Chair. The Chair asks "The Senator from Minnesota has the floor. Does he yield?" The Senator from Minnesota says he does not yield——

Mr. BURKETT. Let me ask a question.

Mr. HALE (continuing). And therefore the point of no quorum has never come before the Senate and can only be by the recognition of the Senate.

Mr. BURKETT. Suppose a Senator was using inappropriate language, and that a Senator rose when he was using improper language and called attention to the fact. Does the Senator contend——

Mr. HALE. There a specific rule is made. It is ex necessitate rei. That has to be done, and the rule about improper language applies there; but that does not apply when a Senator wants to suggest the lack of a quorum. The illustration is not analogous in the slightest degree.

Mr. BURKETT. It shows that the Senator speaking does not control the floor as against the Senate.

Mr. HALE. He does not when he uses improper language.

Mr. BACON. Mr. President, I have the floor and I have not yielded.

The VICE-PRESIDENT. The Senator from Georgia is entitled to the floor, and he yielded to the Senator from Maine.

Mr. HALE. The Senator sees that under our practice here——

Mr. BEVERIDGE. I am inclined to agree with the Senator from Georgia, after reading the rule, that it is the highest right, directly conferred upon any Senator who rises and gets the attention of the Chair on a point of order. It is not, after all, an interruption. It is the statement of a point of order, which is one of the highest privileges of the Senate. The analogy given by the Senator from Nebraska, invoking the rule when a Senator uses improper language, is not appropriate. The rule states, I believe, that any Senator may call another Senator to order, who shall then resume his seat until permission is granted to proceed.

Mr. HALE. That is a specific provision.

Mr. BEVERIDGE. That is a specific provision. It seems to me it is a question of the highest privilege. After having read the rule, I am inclined to agree with the Senator from Georgia.

Mr. SMITH of Michigan. Mr. President——

The VICE-PRESIDENT. Does the Senator from Georgia yield to the Senator from Michigan?

Mr. BACON. I prefer to yield to the Senator from Maine, unless the Senator from Michigan desires to ask the Senator from Maine a question.

Mr. SMITH of Michigan. I do. Suppose we were operating under a unanimous-consent agreement that we should take a vote on the pending amendment in fifteen minutes from now, and the Senator from Minnesota was addressing the Senate, and not making any point as to the absence of a quorum, and declining to yield for that purpose. Is it possible that some one hostile to the Senator from Minnesota could rise and arbitrarily take him from his feet and ask for a call of the roll and consume time within which the Senator from Minnesota might be permitted to conclude his address?

Mr. BEVERIDGE. The answer to that plainly is that unanimous consent is not binding under parliamentary law, but only on the honor of Senators. It is a gentleman's agreement. So the illustration is not good.

Mr. SMITH of Michigan. Unanimous consent can not be vacated except by unanimous consent.

Mr. BEVERIDGE. It can be vacated by any Senator disregarding it.

Mr. HALE. Unanimous consent is the highest law here.

Mr. BACON. Mr. President, I think I have the floor.

The VICE-PRESIDENT. The Senator from Georgia has the floor, but the Senator has not yet raised a question of order. The Senator rose to suggest a question of order, but the Senator has not stated the point of order.

Mr. BACON. I do raise the point of order—I so intended—if it is necessary to do so.

The VICE-PRESIDENT. The Chair does not understand that it is.

Mr. BACON. My suggestion may make it unnecessary.

The VICE-PRESIDENT. The Chair wanted to have the Senator from Minnesota understand the status; that was all.

Mr. FRYE. Mr. President——

The VICE-PRESIDENT. Will the Senator from Georgia yield to the Senator from Maine?

Mr. BACON. If the Senator from Maine will just let me state one proposition, I will yield with pleasure. However, I will yield now, if the Senator prefers.

Mr. FRYE. I only wanted to ask the Senator a question. Does the Senator contend that the Chair is obliged to recognize any Senator sitting in his seat and making a proposition without rising to a point of order or being recognized by the Chair?

Mr. BACON. No, I do not; but I say this——

Mr. FRYE. The Senator from Indiana was sitting in his seat.

Mr. BEVERIDGE. I beg the Senator's pardon; I had risen and, as the RECORD will show, got recognition from the Chair.

The VICE-PRESIDENT. The Senator from Indiana had risen and had addressed the Chair.

Mr. BEVERIDGE. Certainly.

The VICE-PRESIDENT. The Senator from Indiana asked the Senator from Minnesota if he would yield, and, without waiting for an answer from the Senator from Minnesota, the Senator from Indiana, standing on his feet, suggested the absence of a quorum.

Mr. FRYE. I should like the Senator to answer the question, for the suggestion is very frequently made from the floor without rising and without any recognition by the Chair.

Mr. BACON. I think there could be but one answer to that, and that would be in the negative. Of course no man can do that, because a Senator——

Mr. FRYE. I did not suppose that the Senator from Indiana had addressed the Chair.

Mr. BEVERIDGE. I had, and obtained recognition.

Mr. BACON. A Senator, of course, must rise and address the Chair, and he must be recognized by the Chair. There is no question about that.

Mr. President, I hope I may have the attention of Senators, because I desire to have them consider this suggestion. A point of order is in order at all times. Whenever the Senate is proceeding out of order, I care not who has the floor, if he is out of order for any reason, it is legitimate and proper for any Senator to address the Chair and make the point of order. There is no distinction as to any classification of order. Any point of order on any proceeding at any time is of the very highest privilege of the Senate, and a Senator does not have to get the permission of the Senator who may be addressing the Chair in order to make a point of order. A point of order is always in order for consideration. It must be necessarily so, or else there is no foundation for parliamentary procedure. It lies at the bottom of it all, that there must be order, the body must proceed in order, and whenever it is proceeding out of order it is the privilege of any Senator to ask that the order be enforced.

If the point of order is not good, it will be overruled and the Senator will proceed. If it is good, the Chair will so decide, and the Senator will not proceed until the difficulty has been removed. I respectfully submit, Mr. President, that there is no distinction in that regard as to any points of order. Anything that is a point of order is a matter that a Senator has a right to bring to the attention of the Senate. In so doing, he speaks for the Senate and not for himself.

I repeat, the fundamental point of order which lies at the basis of all parliamentary procedure is that there must be a quorum present.

Mr. President, I doubt if any precedent can be found for this contention, although sometimes questions are made in a very peculiar way and under the pressure of the moment, and for the furtherance of party exigency, not in this body particularly, but in all parliamentary bodies; more so in other bodies than in this, because we have less partisanship in this body in the way of parliamentary procedure than there is elsewhere. There is here more recognition and reliance upon the good faith of each Senator, in the recognition, for instance, by one of the minority of the right of the majority to control. Even if the larger part of the majority party Senators should be absent and all the minority should be present, there would be no effort made by the minority to take advantage of that situation. I do not suppose there has ever been an instance from the foundation of the Government where the minority in the Senate has ever sought to take advantage of the absence of the majority in the Chamber. There is a different school of procedure in this body from what there is in ordinary bodies. There is confidence in the good faith of Senators. We recognize the right that every Senator's vote shall count here at all times, whether he is present or absent. That illustrates the spirit that animates the Senate in its procedure.

Mr. RAYNER. If the Senator from Georgia will permit me, I do not think there is any doubt about the proposition at all. I should like to refer the Senator from Georgia, if I can have

his attention, to the fact that this rule is taken from section 6 of Jefferson's Manual, and the clause provides:

Whenever, during business, it is observed that a quorum is not present, any Member may call for the House to be counted; and, being found deficient, business is suspended.

If the speech of the Senator from Minnesota is "business," then the Senator from Indiana has a right to call for a quorum.

Mr. BACON. I was proceeding to say that precedents are sometimes not conclusive in the establishment of a logical conclusion, but I very much doubt if any precedent can be found for any such suggestion as that when a Senator is on the floor addressing the Senate, with nobody in the Chamber but himself and two or three others, it is not in order for a Senator to make the point of order that there is no quorum present, unless the Senator who is addressing the Senate at that time sees proper to yield for that proceeding. If he can do it in that case, he can do it in any other case where there is a want of order.

The Senator from Nebraska [Mr. BURKETT] asked a question of the Senator from Maine which struck at the root of the matter; although the Senator from Maine did reply that that matter is under a specific rule, it is not necessary that there should be a specific rule. It is the simple proposition that a parliamentary body must proceed in order, and when not in order, it is the highest privilege to call attention to the fact and have the disability removed.

Mr. President, I repeat the illustration which I gave a while ago. Suppose we were to have a night session, and it should resolve itself into a question of endurance. Can it be said that a Senator may get the floor at a night session and say, "I am not going to yield to the question of no quorum. Every one of my party associates may absent himself from the Chamber, if he wants to; I will hold the floor myself, and I will not yield to the suggestion of no quorum. While I will compel one side to stay here, I will permit the other side to go away?" That would be giving a most monstrous power to any Senator.

As I said before, I have no interest in the matter in this present instance, except the preservation of what I consider to be a fundamental rule. I think there is a pretty fair attendance here. I myself was listening with very great interest and with large instruction to the honorable and learned Senator from Minnesota, as I always do. I think most of us who desired to hear were here. Consequently I am arguing this question not in its application to this particular case, but as showing that it would be a most unfortunate precedent for us to establish here that on any question of order a Senator who raises that question has to have the consent of the Senator who is addressing the Senate before he can be heard. A question of order is the very highest privilege, affecting the entire body. The present contention is absolutely, according to my view, indefensible from any standpoint, either of practical procedure or any consideration of the principles of parliamentary law and parliamentary procedure.

Mr. GORE and Mr. BURKETT addressed the Chair.

The VICE-PRESIDENT. The Senator from Minnesota is entitled to the floor when he demands it. Will he yield to the Senator from Oklahoma?

Mr. NELSON. Mr. President, the country is waiting for the disposal of this tariff bill, and I would suggest to the Senator from Oklahoma that if he will be as brief as possible I will yield.

Mr. GORE. Yes, sir; I will respect the wish of the Senator from Minnesota.

I merely wish to suggest to the Senator from Georgia that his contention is founded not merely upon parliamentary rule and parliamentary usage, but it is based on the Constitution of the United States itself. The Constitution declares in express terms what the Senate can do in the absence of a quorum. There are only two things which it has the constitutional power to do. One is to adjourn, and the other is to compel the attendance of a quorum. No individual Senator can intervene his will to amend and abrogate the Constitution of the United States.

The VICE-PRESIDENT. If the Chair may be permitted, he will make a statement, although the Chair understands the Senator from Georgia did not raise a question of a point of order upon which the Chair must pass.

Mr. BACON. I do raise it.

The VICE-PRESIDENT. The Chair desires to say that in the body in which the Chair for a time served it was possible always in certain circumstances, under the construction of the rule, to take a Member from his feet, whether he desired it or not; and the theory of the Chair would have been that a Senator could rise at any time and raise the point of no quorum. But the Chair found on examining the precedents that in this body there is a precedent for the opposite ruling, made only one year ago. During the discussion of the conference report on the bill relating to the national banking law, the Senator from Wisconsin [Mr. LA FOLLETTE] attempted to raise the question of the presence of a quorum. The Senator from Rhode Island [Mr. ALDRICH] raised a question of order that a Senator must first obtain possession of the floor before he could raise that question. The Chair sustained that contention; and upon an appeal from the decision of the Chair, the decision was sustained by a vote of 32 to 14.

So, while the Chair's notion would have been that the Senator from Indiana could have risen and, without the consent of the Senator from Minnesota, raised the question of the presence of a quorum, under the ruling that the Senate itself has made in the proceeding only a year ago the Chair felt constrained to say that the Senator from Indiana must first obtain the floor.

Mr. BACON. If the Chair will pardon me, that was an occasion when the temper of the Senate was not disposed toward the decision of anything upon any line of conservatism or in a judicial mind in any way.

I presume, of course, there was such a decision, though I did not happen to be present in the Chamber at that identical moment. Several other things were done that night which were revolutionary in their character, and have been pronounced on this floor by myself and others as absolutely revolutionary.

This is a question of importance; and I will say, Mr. President, in order that it may not be affected by anything which is now before the Senate, that it is a matter which ought to be referred to the Committee on Rules. Let us have this matter settled in a proper way. If I were to now ask the Chair to submit the question to the Senate, it might be now decided by the Senate upon some other grounds than purely parliamentary considerations. Therefore I will not now ask that there be a submission to the Senate, but I will, at the proper time, introduce a resolution referring this matter to the Committee on Rules.

The VICE-PRESIDENT. The Chair will further state that, what the Senator now suggests, the temper of the Senate at that particular time is not disclosed by cold type.

Mr. BACON. It is not disclosed, but it is a very burning instance in the memory of those who had the misfortune and pain to be present on that occasion.

Mr. GALLINGER. And most of us did not entertain the heat that the Senator from Georgia does on the subject. We thought we were proceeding strictly according to the rule.

The VICE-PRESIDENT. The Chair further suggests that the first clause of Rule XX seems to carry out what was the Chair's original idea on the subject. That clause reads:

A question of order may be raised at any stage of the proceedings, except when the Senate is dividing.

Mr. BACON. I simply desire to say, in response to the Senator from New Hampshire, that conceding all that may be in the recollection of the Senator relative to myself, I can only say, in regard to the temper of others upon that occasion, that it is very well to bear in mind the old adage that is put in rhyme:

Oh wad some power the giftie gie us
To see oursel's as others see us!

The VICE-PRESIDENT. The Chair does understand the Senator from Georgia now to withdraw his point of order.

Mr. BACON. I do, simply for this reason: I think it is a matter of grave importance, and if we were to decide it to-day it might be that some Senator would vote without reference to the cool judgment which he may give to it at some other time. Therefore I will not make the point now, but I intend to bring it to the attention of the Senate in the way of a resolution, to be referred to the Committee on Rules.

Mr. GORE. Mr. President——

The VICE-PRESIDENT. Will the Senator from Minnesota yield to the Senator from Oklahoma?

Mr. GORE. Just one word.

Mr. NELSON. Certainly.

Mr. GORE. I wish to call the attention of the Chair and the attention of the Committee on Rules, when the resolution reaches it, to the fact that the decision and precedent just cited by the Chair are void on its face, the vote being 32 to 14, which would make 46, which was not a quorum of the Senate at the time that vote was taken. So the decision was void, and demonstrates the high-handed procedure which prevailed at that time and the importance of observing and conserving the rules of the Senate.

The VICE-PRESIDENT. May the Chair make the further statement that the RECORD shows the Vice-President counted the Senate and discovered that a quorum was present? The Senator from Minnesota will proceed.

Mr. NELSON. I will suggest to the Senator from Indiana that he withdraw his point of order for the moment.

The VICE-PRESIDENT. The Senator from Indiana has not made it.

Mr. NELSON. When this little episode as to the point of order occurred, Mr. President, I was nearly through with my remarks. I had aimed in this brief discussion to point out to the Senate that the effect of the amendments reported by the Finance Committee to paragraphs 313, 314, 315, 316, and 317, if you analyze them carefully, is to increase the rates of the Dingley law, so far as I have compared them with the ad valorem rates contained in the provisos of these various paragraphs of the Dingley law. But if you compare the figures I have given with the specific rates fixed in the bill based upon the weight of the cloth, you will find the same increase. Whether you compare them with the ad valorem rate or with the specific rate of the Dingley law, you will find that these new rates are an increase of the old rates. It was no wonder, in view of these facts, that the Senator from Massachusetts yesterday declined to commit himself on that question and declined to answer the Senator from North Carolina.

While I am thankful to my friend from Indiana for suggesting the absence of a quorum, Mr. President, I was well aware of the fact that my remarks this morning would be distasteful to a number of Senators on this side of the Chamber. Such being the case, I was the last man in the world to blame them for withdrawing from the reach of my voice. I can sympathize with them. I can only say to them that I will endeavor in the future to inflict as little of my remarks upon them as possible. I do this, first, because I am of a merciful disposition, and, in the next place, I know that whatever I may say on this subject is entirely futile with those gentlemen; it will be like talking to a stone wall.

I have but one word more to say. If the purpose of these amendments was simply to cure the evasions and undervaluations that have occurred in the operation of the Dingley law, I should certainly have sympathized with that effort and been glad to join the Senators in curing those defects, but when the Finance Committee, under the guise of remedying those discrepancies and defects and the undervaluations that have occurred under the Dingley law, proceeds deliberately to increase the rates, as they have done in the bill, all the way from 10 to 50 per cent over the existing rates, I can not join them in sustaining such an effort.

I may be mistaken, Mr. President, in the question whether the rates in the bill are cumulative rates. Perhaps I am all astray on that point; but waiving that question, the other question remains, that if you apply the specific rates to the Senate amendments and try to ascertain by their application the ad valorem rate that they would amount to, I think I have demonstrated to every fair-minded Senator that these rates are in excess of the Dingley rates.

There is one other fact that I desire to call the attention of the Senate to, and with all his ingenuity and skill it was not displaced by the Senator from Massachusetts [Mr. LODGE] last night. It has been pointed out in this Chamber that there is no industry so prosperous and making such large dividends as the cotton-manufacturing industry. Under those circumstances, while they make all the way from 10 per cent up to 66 per cent, perhaps if you strike the average over 25 per cent, dividends, with a good big surplus in addition, why we should raise the rates for the benefit of these prosperous manufacturers passes my scrutiny.

But, Mr. President, while I am getting old in years, I am not too old to learn. The prophet said there was nothing new under the sun. This tariff bill has demonstrated that he was mistaken. We find that one of the most profitable industries in this country comes here and through their representatives seek to invoke a higher rate of protective duties than they have heretofore enjoyed, and they do this after appearing before the Committee on Ways and Means of the other legislative body and telling them through their representatives that they were satisfied with the Dingley rates and have been prosperous and doing well. How in the face of those facts that I have briefly referred to Senators can have it in their hearts to increase the rates is something I can not comprehend.

I am aware that in this matter, being classed as an insurgent, or as a progressive Republican, if you please, my judgment and my opinion are of little account, but by and by the people of this country will have an opportunity and a chance to express their views on this question, and when that time comes people can as readily retire into the smoking room as they can now.

Mr. FRYE. Mr. President, the last remark of the Senator from Minnesota [Mr. NELSON] leads me to violate a studied purpose to vote and not talk; and it was also suggested by the Senator from Oklahoma [Mr. GORE], who cited the Bates mill in my own city as an illustration of remarkable profits.

I am familiar with the Bates mill. I can remember when it scaled down, by the authority of the legislature, 75 per cent of its stock. It subsequently increased its stock to $1,200,000, and it has been paying dividends on the $1,200,000, while it has a productive capacity of at least $3,000,000, and on that productive capacity it has not paid over 6 per cent. It has more machinery to the square foot than any other mill in the United States. Fortunately, it made a line of goods like the Amoskeag mill, and it has been profitable. But, at the same time, the Continental mill, an enormous structure, built, I should say, twenty-four years ago, never paid a dividend until last year, and then only 4 per cent. In addition to that, the Continental mill, by authority of the legislature, reduced its capital one-half.

Then again, the Hill mill, with fine factories of large capacity, have for the last ten years been paying dividends most of the time at 4 per cent, and the stock, $100 being the par value, went down to $35. By the authority of the legislature this last year they cut down their capital one-half.

Again, the Lewiston mill, in the same city, some twenty years ago, finding it could make nothing, gave up the business of manufacturing. Its machinery and its factory stood for fifteen years without any use whatever. Then the mill and machinery were sold at auction for one-tenth of the original cost.

In making up these computations of profits nothing is said about the mills which have been unfortunate. If an average could be drawn of all the cotton mills of the United States, you would not find that the average would be over 6 per cent.

Mr. LA FOLLETTE. Mr. President, the fundamental principle upon which a protective tariff was originally declared as the policy of this country has been widely departed from. I do not know that I can serve a better purpose than briefly to bring back to the consideration of this body the basic principle upon which the protective-tariff policy was established by the father of that system in the beginning.

As established by Alexander Hamilton the true principle of a protective tariff provided such duties on imports as equalled the difference between the cost of production at home and abroad. From Hamilton to McKinley every advocate of protection contended that a tariff so levied would establish and maintain American industries. From Hamilton to McKinley those who opposed the policy of protection contended that duties so levied would tend to create and maintain monopolies in protected industries. From Hamilton to McKinley every great advocate of protection answered that the security of industries so protected would invite capital to invest and insure free competition between producers, and such competition would prevent monopoly and guarantee reasonable prices to American consumers of the protected products.

Hamilton made the best statement of this principle and its operation ever enunciated. Indeed, sir, in his report upon manufactures he stated every argument for the protective-tariff policy and every argument in opposition to it with greater clearness and power than has ever been offered upon either side. These are his words:

> Though it were true that the immediate and certain effect of regulations controlling competition of foreign with domestic fabrics was an increase of price—

And it always is. No man who is honest will deny that—

> it is universally true that the contrary is the ultimate effect with every successful manufacture. When a domestic manufacture has attained to perfection and has engaged in the prosecution of it a competent number of persons, it invariably becomes cheaper. Being free from the heavy charges which attended the importation of foreign commodities, it can be afforded, and accordingly seldom or never fails to be sold, cheaper in process of time than was the foreign article for which it is a substitute.

And, Mr. President, I say from a close and persistent study of our tariff history that the principle of Alexander Hamilton has been, from the beginning, the only justification for imposing upon consumers a system of protective duties for the establishment of new industries.

Now, I should like the attention of every Senator to this further declaration of Hamilton:

> The internal competition which takes place soon does away with everything like monopoly, and by degrees reduces the price of the article to the minimum of a reasonable profit on the capital employed. This accords with the reason of the thing and with experience.

Sir, for more than one hundred years the ablest champions of a protective-tariff system have met the attack upon it with Hamilton's unanswerable argument, that free competition between domestic industries would make monopoly impossible.

Blaine, in this "Twenty Years of Congress," makes domestic

competition the very corner-stone of the protective system. He says:

Protection in the perfection of its design does not invite competition from abroad, but is based on the contrary principle, that competition at home will always prevent monopoly on the part of the capitalists, assure good wages to the laboring man, and defend the consumers—

Defend the consumers—

against the evil of extortion.

You see, Blaine recognized the fact that protection would be vulnerable except for the principle invoked by Hamilton, that domestic competition would prevent monopoly, and so prevent the imposition of extortionate rates upon the domestic purchaser of the domestic product.

M'KINLEY SAID MONOPOLY COULD NOT SURVIVE.

That was the Blaine to whom you, Mr. President [the VICE-PRESIDENT in the chair], and I, as young men entering public life gave heed as an expounder of the correct principles of the protective tariff policy; so William McKinley, a Member of the House of Representatives, rising rapidly to the leadership of his party as the embodiment of the protective tariff principle, answering the charge that the tariff fosters monopolies, said:

They—that is monopolies—can not long exist with an unrestricted home competition such as we have. They feel the spur of competition from 37 States, and extortion and monopoly can not survive the sharp contest among our own capitalists and enterprising citizens.

McKinley, like Blaine; McKinley, like Clay; McKinley, like every great advocate of the Hamiltonian theory, realized that free competition among the protected industries was the handmaid of the protective tariff policy.

And now I ask some of you older members of this body upon the Republican side, who, I contend, are seeking to lead the Republican party into a new and strange country which you can not fortify or defend, who are setting up a new standard of protection that never has been and never can be defended, to heed the words of one of the most conservative protectionists in history—a Republican leader who commanded the confidence of business men, a great minister of finance, a constructive statesman, who probably wrote his name upon as many, if not more, chapters of federal legislation than any man who served with him during the long period of time he was in the Senate—John Sherman, of Ohio. With a clearness of vision and statement which characterized all his public utterances he declared on this floor:

The primary object of a protective tariff is to secure the fullest competition by individuals and corporations in domestic production.

And, sir, well understanding that no lopsided system of protection can be sustained, he added these words:

If such individuals or corporations combine to advance the price of the domestic products and to prevent the free result of open and fair competition, I would, without a moment's hesitation, reduce the duties of foreign goods competing with them in order to break down the combination.

SHERMAN GAVE WARNING OF IMPENDING DANGER.

Mr. President, John Sherman was no mere politician; he was a statesman in his day. I do not use the term "politician" in disparagement. There are honest politicians as there are honest statesmen. The politician sees only the events that are transpiring in the day and hour in which he lives. He frames legislation to meet existing conditions. The statesman sees not only what exists to-day, but what is coming to-morrow and to-morrow and to-morrow. Upon the events of this hour, applying the economic and financial principles which he has mastered, he frames the legislation of to-day to meet the events of to-morrow and next year and the next decade.

From his eminent outlook Sherman saw not only what was upon us in 1890, but what would come twenty years later, and he warned the men of that day against the time of the abandonment of the vital principle of the protective system.

Mr. President, up to a certain time in the history of this nation's tariff legislation it was not felt by protectionists that there was so much danger in high duties. In 1890 I remember some effort was made to inquire into the difference in the cost of labor and cost of production here and abroad. But it was not considered so vitally important because Republican protectionists believed that any injustice to the consumer that might arise in the beginning from the enactment of high duties would be quickly remedied by home competition. That belief was based on the long-accepted theory that a profitable industry would invite investment of capital, and prices would be reduced to the basis of fair compensation to the American manufacturer, good wages to the American laborer, and that the average American citizen would share the general prosperity arising from the development of American industries.

CHANGE IN INDUSTRIAL CONDITIONS.

But conditions have changed in this country in twenty years. I would not take the time of the Senate to recall the declarations of Alexander Hamilton, John Sherman, or William McKinley, if there were not basic economic reasons for so doing. We are revising the tariff in this year of 1909 under conditions that never confronted the Congress in any other revision of the tariff law since the protective policy was adopted in America.

John Sherman, with the prophetic vision of the statesman, saw that combinations would be formed by the protected manufacturers; that competition would be suppressed and destroyed; that the consumers would be charged such prices as the combinations chose to charge them.

Sherman saw that and wrote into the statute books the Sherman antitrust act in 1890.

Following the enactment of the Dingley tariff law came the business and industrial revolution which Sherman saw approaching. In three years after the enactment of the Dingley tariff, 179 combinations were formed, with a total stock and bond capitalization of $3,784,000,000. Do I need to recall the purpose of these combinations? It was to do what Sherman feared would be done—suppress competition in the industrial and commercial life of this country and to control our markets. Shielded by the Dingley rates against competition from abroad, this plan of destroying competition at home was devised so that the prices fixed for the American consumer should be regulated not by home competition nor by foreign competition, but regulated by these combinations of combinations organized and reorganized until they constitute a single power with a single purpose in control of production, transportation, and finance.

By 1904 trust control extended to 8,664 plants, with a total capitalization of $20,379,000,000. It suppressed competition. It had the American purchaser at its mercy.

What has happened since 1904? This: By January 1, 1908, the increase in trust consolidations and capitalization embraced 10,220 plants, with outstanding stocks and bonds aggregating $31,672,000,000. In every line of business, speaking of it in a national way, not in a small or local way, organizations cover so much of the field of production as to establish absolute control of markets and prices.

Mr. President, it is noticeable that the Republican members of the Finance Committee have absented themselves from this Chamber. I shall have some questions to propound. I am content, sir, to submit such to their vacant chairs, if the members of the committee are content to have me do so, and I protest against any call for a quorum while I have the floor.

Mr. President, the man who organizes the control of production in any line subjects not only the producers of the raw material but the consumers of the finished product to an industrial servitude.

Two hundred manufacturers of shoes came to Washington begging for a hearing before the Committee on Finance. Why? Because the meat packers' trust had reached out to take control, and is taking control, of the tanneries of the country, and next they will be manufacturing shoes.

Let this continue to develop and the half dozen men who control the price of every pound of beef, of mutton, and pork as it comes from the farms and ranches across the continent to the butcher shops will also control the price of leather, and step by step they will reach out for control of the finished product which goes to the consumers—harness, saddlery, boots, shoes, and every form of leather. Why not?

Mr. DIXON. Mr. President——

The PRESIDING OFFICER (Mr. JONES in the chair). Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I do.

Mr. DIXON. Will the Senator yield for a question?

Mr. LA FOLLETTE. Certainly.

Mr. DIXON. Not in an unkindly spirit, but as a matter of information and to know the basis of the Senator's argument, I should like to ask him if the combination of capital which we all recognize as being true is not world-wide and is not confined to the United States?

Mr. LA FOLLETTE. I thank the Senator for that suggestion, and I will reply to it.

Mr. DIXON. I should like to have the Senator answer that.

Mr. LA FOLLETTE. I will answer it. I am no dodger. The Senator knows that.

Mr. DIXON. I did not apprehend that for a moment.

Mr. LA FOLLETTE. Just give me a chance.

Mr. DIXON. Certainly.

Mr. LA FOLLETTE. It is becoming world-wide and probably will be in the end world-wide. I am not looking out into this

economic field, I hope, blindly. I do not expect to see the trusts of this country regulated by tariff legislation alone. We can not get rid of all the evils of monopoly dominating every important line of industry by merely lowering the tariff. But, if trusts and combinations get indirect benefit and are strengthened by the tariff, it offers one way of reaching them. And we should make the most of every means at our command to check their unlawful control of markets and prices. If I have not succeeded in making my position clear already to the Senator from Montana I have been unfortunate. It is that we should not, in the enactment of this legislation, by the smallest fraction do anything to strengthen that power in this country, and we should do all we can to lessen it.

REASON FOR SOME FOREIGN COMPETITION.

Mr. DIXON. I wish the Senator from Wisconsin would elucidate this point for my information. By cutting down the tariff duty so as to give freer importation into this country would we not be merely putting the American market and the American people at the mercy of the great combinations of capital in Germany, France, and the other European countries instead of those here at home?

Mr. LA FOLLETTE. Not unless those foreign combinations form a coalition with the combinations of this country. So far as my investigation discloses, the productions of the United States Steel Company are the only ones upon which such a combination has already been formed. I tell you it is the duty of every man here, if I may be permitted to say so, from my point of view at least, to employ every means possible to forestall the time when the combinations of this country shall be strong enough to say to the combinations of other countries: "We are able to hand you over, without entering upon the field of competition, the whole American market."

I want to let the foreign producer into this country at such a level of duty as will allow his production to sell in the market here as something of a check upon excessive prices imposed upon the American people by the combinations formed to destroy home competition. That is my position.

Mr. President, I am not so inexperienced as to believe that by any process of legerdemain, by the speaking of some legislative word here or there, we are going to be able to solve problems of monopoly in transportation and all forms of business. I do not believe that the most wise and just tariff that could possibly be framed would solve them. I say that in the face of these combinations, forming in violation of the Sherman Act, Republican and Democratic administration alike has been remiss in failing to prosecute; and I say that both branches of Congress, looking out over the whole field, seeing what was taking place, have been remiss in neglecting to investigate and devise every possible means within the reach of legislation to cope with this great evil. And here to-day in the revision of the tariff we should be using the weapon at hand to lop off any undue benefits derived from the tariff which strengthen these great interests instead of passing a bill to promote further exploitation of the American people.

It is a favorite argument of those who defend the existing condition to say, "Are you blind to the industrial development of the world? Would you return to the wasteful processes of competition?" No intelligent man who sees what is happening in an economic and social way in the world will for a moment deny that centralized production cheapens production. No one will deny that competition among small producers is, from an economic standpoint, wasteful.

But if it is conceded that combinations may control the markets of this country and can say to producers they shall take so much and to the consumers they must pay so much, it is as truly slavery as to compel men to work without wages. There is no difference in principle between compelling a man to work without wages and compelling him to take a certain price for his product or labor and pay a certain price for what he buys when these prices are not fixed by the law of supply and demand but are fixed by the arbitrary decision of those who arbitrarily control the market.

INDUSTRIAL FREEDOM—FAIR CHANCE FOR EVERY MAN.

Mr. President, the American people will never surrender their industrial liberty. We will go back to the system of competition if need be in order to prevent it, even though it is less economical. I do not say that is necessary, but I do say that the people who won independence for this country and who preserved this Government will never permit their markets to be controlled by any combination of men who can dictate prices for raw materials and prices for finished products and prices for human labor.

We talk about a free country. Brave men went out in '61 to keep undivided upon the map of America these United States and to write on the escutcheon of this country, "There shall be no bondmen under the flag." What did they mean by that? Do you think they meant just taking the shackles off the hands? Is that freedom? No, it is not. Freedom, true freedom, as expressed in the Declaration of Independence—equality for all men—means not only free hands, not only physical freedom; it means, sir, I want to say in this presence this afternoon, industrial and commercial freedom, equality of opportunity, and a fair chance for every man. And you are building up a system here that will destroy the progress of our country, the development of the American race. Competition may be wasteful, but under the stimulus of competition we have made wonderful progress. We have outstripped all the nations of the earth. There are some things to be considered in the life of a nation besides cheapness. In this system of monopoly which is being developed the individual opportunity of which we are so proud is denied the boy who is poor and without influence.

What is coming out of this for our children? I have a couple of little boys. I am looking forward to the time when they will finish their education. What are they going to do? I tell you, Senators, things have changed in thirty years, and in the next ten years they will change more. If this consolidation and centralization of production progresses in the next ten years as in the last ten or fifteen, there will be no opportunity for independent individual effort. Whatever a boy's equipment, he will have to take a place in an organization as a subordinate part of its machinery.

Mr. President, it can not be denied that since the enactment of the Dingley law inventions have made greater progress than at any time in history; processes have been more highly specialized and simplified; hand labor has been more and more largely eliminated, and the expense of production very much reduced. But with all this phenomenal growth and reduced cost of production, because of the uncontrolled mastery of the markets by combinations, the consumer has been denied any share in cheapened production.

Speaking broadly, and with reference to the lines of largest production, it is no longer necessary in manufacture in this country to put the product upon the market with a view of meeting competition, and it is no longer necessary to manufacture for this market with a purpose of producing good quality. With duties practically high enough to prohibit any restraining influence of foreign competition upon practically all of the necessaries of life, and with combinations formed with intent and power to monopolize business, restrain competitive trade, fix, influence, and increase prices, the consumer is not only denied the benefits of cheapened production, but is compelled to pay extravagant prices for inferior articles.

EXORBITANT PRICES FOR INFERIOR PRODUCTS.

The great Emancipator said that no man is good enough to be the master of another man. Greed tempted by absolute control has advanced prices until the cost of living to the consumer under these new industrial conditions has been increased nearly 50 per cent.

More than this, monopoly not only advances prices, but having substantially a clear field in which it arbitrarily fixes its charge, it is in a position to be quite as arbitrary as to the character and quality of the commodity which it controls. This is an attribute of monopoly. These two things inevitably accompany centralized control: Exorbitant prices and inferior products.

In the reign of Edward VI favored saddlers of England were granted a monopoly of the trade in leather, until Parliament, yielding to petition and appeal, revoked the monopoly, saying:

> Since the making of the statute all kinds of leather are more slenderly and deceitfully wrought and made than ever before, but dear and dearer.

Human nature has not greatly changed with the centuries. A manufacturer of clothing in the hearings before the Ways and Means Committee last December submitted the following statement:

> As a manufacturer of clothing for a period of fifty years I can truthfully state that I never handled cloth of so inferior a quality for the price as I do now.

Speaking broadly, and with reference to the lines of largest control, it is no longer necessary to manufacture an article of the highest quality in order to hold trade, because it is no longer necessary for that article to compete as formerly for business upon intrinsic merit.

A single control commands business, it does not ask it, because competitors have been driven from the field. Hence there is shoddy in nearly everything we wear and adulteration in nearly everything we eat.

Is it necessary for me to remind Senators of the crusade that has been made all over America in the last few years since the enactment of the Dingley law to protect the lives and homes of our people against adulterations in manufactured food products? Is it necessary to remind this body that a national, patriotic organization has for years been seeking to arouse the people of this country to the importance of exercising in the commercial world some sort of regulation and control of the manufacture of clothing to insure its healthfulness?

Paying exorbitant prices for inferior products, the public finally became aroused and demanded that Congress should reduce the duties fixed by the Dingley Act. Session after session they were denied. Session after session their appeals were ignored. Memorials and petitions were without effect. Trusts and combinations opposed revision. Everybody must understand that; everybody must admit that.

We are not in session here to-day, Senators, upon the appeal of the protected interests. Every day members of the Finance Committee, and it is only when compelled to answer questions that they respond, arise and explain advances in the rates on the ground that the manufacturers claim such increases are necessary. I say to the members of the Committee on Finance, you are not revising the tariff because of any clamor for it from standpatters. You are revising it because the consumers of this country raised such a storm that they compelled political parties to write into their platforms a pledge for tariff revision, which was understood, and was intended to be understood, to mean tariff reduction.

PEOPLE EXPECT REDUCTION IN DUTIES.

Before I get through I shall show that the people who forced this revision instead of getting reductions are getting increases, and will have heavier burdens to carry than they now have to bear if this bill is passed as proposed.

There was no mistaking what the people wanted. They knew what they were entitled to and they demanded it. In every home where the burden of higher and higher prices is a serious consideration, the problem was carefully worked out. They knew for the first time in the tariff history of America that those who had invoked the principle of protection had betrayed it.

Mr. DIXON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Montana?

Mr. LA FOLLETTE. I do.

Mr. DIXON. Does the Senator from Wisconsin claim that there is any combination or trust among the cotton spinners and weavers of the country?

Mr. LA FOLLETTE. Do you mean the laboring men—the people who work?

Mr. DIXON. No; the manufacturers.

Mr. LA FOLLETTE. I will come to that a little later when I take up the cotton schedule, if my friend from Montana will be patient with me.

The people knew that their only escape from the increasing burdens which were becoming too heavy to bear was to obtain relief by demanding some measure of foreign competition to take the place of the domestic competition which combination and conspiracy had destroyed. They demanded revision of the tariff and they demanded revision downward. Revision had to come. That mysterious power in an enlightened democracy which finally marshals public opinion for the right and makes it irresistible forced this revision of the tariff. Platforms could no longer ignore it. Candidates, recognizing the inevitable in advance of political conventions, pledged themselves for immediate revision. Revision had to come.

Mr. President, the Senator from Indiana [Mr. BEVERIDGE] rendered the Senate and the country a distinct service in bringing together in logical order the declarations of President Taft upon tariff revision, made when he was a candidate for the nomination, after he was nominated, and while a candidate for election, and after he became President-elect, when he appeared in this Chamber to take the oath of office. A platform was made at Chicago. It may please some Senators to make a narrow and technical construction of it as a basis for legislation, but it is never just to any political party to construe its principles upon the narrow declarations of its platform alone.

Many things must be considered in order to interpret correctly and truly the position of a party upon any question.

Mr. President, we must all recognize the importance of the interpretation of the platform by the presidential candidate, together with his public declaration of principles, which are in the nature of pledges to the people of what will constitute the policy of the party if he is elected.

Mr. President, speaking his first authoritative word as the candidate of the Republican party, Mr. Taft raised the standard of his party above the Chicago platform and the work of that convention. Every word he uttered was of profound importance to the voters of this country, and should have binding force upon the Republican members of this body if they recognize their moral obligations to the electorate of this country.

Everyone who went out to appeal to voters of the United States in behalf of the Republican party was glad to have the declarations of the candidate for President upon which to base a campaign.

You know that. And the policy which he outlined in reference to the tariff was everywhere accepted as a party pledge and ought to have great influence with the majority in this body in the consideration of this bill.

Mr. MONEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Wisconsin yield to the Senator from Mississippi?

Mr. LA FOLLETTE. I yield.

Mr. MONEY (at 2 o'clock and 2 minutes p. m.). The Senator who has the floor is somewhat exhausted. It is quite warm here, and that he may continue with some sort of comfort, I ask that the Senate take a recess for thirty minutes, by consent.

The PRESIDING OFFICER. Does the Senator from Mississippi make that motion?

Mr. MONEY. I ask consent of the Senate that we take a recess for thirty minutes to enable the Senator from Wisconsin to proceed with his speech.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Mississippi?

Mr. HALE. For what length of time?

Mr. GALLINGER. Is the request for a recess?

The PRESIDING OFFICER. That the Senate take a recess for thirty minutes.

Mr. HALE. Thirty minutes.

The PRESIDING OFFICER. The Chair hears no objection, and the Senate stands in recess for thirty minutes.

At the expiration of the recess (at 2 o'clock and 32 minutes p. m.) the Senate reassembled.

Mr. ELKINS. Mr. President——

The VICE-PRESIDENT. The Senator from West Virginia.

Mr. ELKINS. Mr. President, I do not see the senior Senator from Wisconsin [Mr. LA FOLLETTE] here.

The VICE-PRESIDENT. The Chair understands that the senior Senator from Wisconsin will be in the Senate Chamber in a moment, though he is not now here. Does the Senator from West Virginia desire to take the floor?

Mr. BULKELEY. I ask unanimous consent to submit an amendment to the pending bill, and ask that it be printed and referred to the Committee on Finance.

The VICE-PRESIDENT. Without objection, the amendment will be received, printed, and referred to the Committee on Finance.

Mr. BEVERIDGE. I call attention, Mr. President, merely to the fact that constructively and theoretically that can not be done, even by the consent of the Senator from Wisconsin [Mr. LA FOLLETTE]. Theoretically the Senator from Wisconsin has had the floor all the time; and I understand the rule of the Senate is that whether he occupies it all the time or not, where a Senator has the floor, no bill or anything else can be introduced. He himself can not even yield for that purpose. Theoretically the Senator from Wisconsin has not yielded the floor at all. It is all right; only I am simply calling attention to the rule.

The VICE-PRESIDENT. The Chair begs to state that the Senate was in session; that the Senator from Wisconsin [Mr. LA FOLLETTE] was not demanding the floor, and the Senator from Connecticut [Mr. BULKELEY] did ask unanimous consent to submit an amendment.

Mr. BEVERIDGE. I am not quarreling at all, except I wish to say that theoretically every instant since the Senator from Wisconsin ceased speaking he has occupied the floor; but it is not worth while——

The VICE-PRESIDENT. That is not theoretically——

Mr. GALLINGER. Theoretically the Senator lost the floor when the recess expired.

The VICE-PRESIDENT. The Senator did not demand the floor, and was not entitled to it.

Mr. LA FOLLETTE. Mr. President, I want to express my appreciation of the courtesy of the Senator from Mississippi [Mr. MONEY] in suggesting a brief recess. I was very glad to avail myself of it, though I probably did not need it as much as appearances might indicate. I speak with perhaps undue earnestness. It is a sort of habit I have formed. I feel very deeply about some things. I want to say to any of my very good friends on either side of this Chamber that they must not have

any apprehension about my wearing myself out. While the heat is oppressive and a little rest is very refreshing, I oftentimes speak for a much longer period of time under circumstances not nearly so pleasant and agreeable as I am enjoying this afternoon. After I occupy the floor for a time, and before I finish what I have to say upon the cotton schedule, I shall comply with the request of the Senator from West Virginia [Mr. ELKINS], who desires to address the Senate this afternoon.

POLITICAL AND MORAL OBLIGATIONS OF REPUBLICANS.

When I yielded the floor I was calling attention to the importance of the declarations of the Republican candidate for the Presidency as binding upon a Republican Congress in the consideration of this tariff bill. I said that by every political and moral obligation we are bound to recognize the importance of every declaration that he made. The American citizen's ballot is all that he has under our system to give him any part in his government. It is his certificate of citizenship; it is his shield, his weapon of defense; and whenever and by whatever means he is induced to cast that ballot for a certain line of policy or to the support of certain candidates an obligation arises, and as a result it should be binding upon every representative of the party involved. The voter has a chance to speak but once in four years. That is only a few times in a generation. He has no opportunity, except through his ballot, to make his influence felt in national government. And yet by every principle upon which this Government is founded all of the powers are derived from the people and come from the ballot. President Taft, realizing some of the shortcomings of the platform made in Chicago, went beyond that platform to the people of this country, and in some measure made a platform upon which he appealed to them for their votes. Every vote that he received upon the issues as defined by him, taken in connection with the platform, constitutes an obligation that we can not disregard.

Weighing well his words, knowing what their influence would be upon the American voter in the event of his nomination, on the 5th of September, 1906, at Bath, Me., Mr. Taft said:

> Speaking my individual opinion and for no one else, I believe that since the passage of the Dingley bill there has been a change in the business conditions of the country, making it wise and just to revise the schedules of the existing tariff. The sentiment in favor of a *revision of the tariff* is growing in the Republican party, and in the near future the members of the party will doubtless be able to agree on a reasonable plan.
>
> * * * * * * *
>
> How soon the feeling in favor *of revision* shall crystallize into action can not be foretold, *but it is certain to come*, and with it those schedules of the tariff which have inequalities and are *excessive* will be readjusted.

He emphasized revision. It commanded the thoughtful attention of voters, won their confidence, and incurred a certain obligation. Later, on February 10, 1908, when the campaign for the nomination for the Presidency was well advanced he made a speech in Kansas City in which he had this to say on the tariff question:

> In the ten years which have elapsed since the enactment of the Dingley tariff, the conditions have so changed as to make a number of the schedules under the tariff too high.

WHAT TAFT SAID AND MEANT.

This was out in the Missouri Valley, where every word uttered on that proposition would be weighed at its full value. Mr. Taft said:

> This renders it necessary to reexamine the schedules in order that the tariff shall be placed on a purely protective basis. By that I mean it should properly protect against foreign competition and afford a reasonable profit to all manufacturers, farmers, and business men; but *should not be so high as to furnish a temptation to the formation of monopolies to appropriate the undue profit of excessive rates.*

Just think, Mr. President, how deeply those words uttered at Kansas City would sink into the hearts and minds of the people of the Missouri and the Mississippi valleys. It is true that this was before the nomination was made, but it is well understood that Mr. Taft was practically nominated a long time before the Chicago convention.

In his speech of acceptance on July 28, 1908, he spoke with a new authority—

> The tariff in a number of the schedules exceeds the difference between the cost of production of such articles abroad and at home, including a reasonable profit to the American producer.

Does anybody think he was talking about the agricultural schedule when he said that? I think not. Mr. President, an utterance like that meant a great deal; it was an effective declaration to the voters of this country on the very threshold of that campaign. We can not shirk its obligations.

> The tariff in a number—

He did not mean that we could stop with a slight reduction of some of the rates in the steel schedule which would not make a shade of difference with the consumer of this country in the price of those products. He did not mean that we should make slight reductions in other schedules which were excessive, leaving the rates still excessive; but he meant that when we revised the tariff we should revise all schedules, basing the rates upon the difference in the cost of production at home and abroad. That is what he meant, because he said it.

Continuing—

> The excess over that difference serves no useful purpose, *but offers a temptation to those who have monopolized the production and the sale of such articles in this country to profit by the excessive rates.*
>
> The tariff in a number of the schedules *exceeds the difference between the cost of production* of such articles abroad and at home, including a reasonable profit to the American producer.

Take that declaration of the candidate for the Presidency, with the statement following it, that conditions invite excessive prices and excessive profits; take it in connection with the declaration of the Republican platform, that the tariff should be revised upon the basis of the difference in the cost of production, and contrast it, Mr. President, with the tariff bill before us, not one single rate of which is based upon that principle of the platform or upon the declaration of President Taft.

> On the other hand, there are some *few* other schedules in which the tariff is not sufficiently high to give the measure of protection which they should receive upon Republican principles, and as to those the tariff should be raised.

The candidate for the Presidency in that declaration and in his letter of acceptance made two things plain: That there were several schedules in which the duties were too high and in which they should be reduced in accordance with the principles laid down in the platform, and there were but few schedules in which there should be increases.

You can not get away from that. He nailed it down. That is the declaration upon which you, Mr. President (the Vice-President in the chair), and the candidate for the Presidency went to the American people for your election, and secured it.

Again in his speech in Cincinnati on September 22, 1908, Mr. Taft said:

> The Dingley tariff has served the country well, but its rates have become *generally excessive.*

TAFT SAID PRESENT RATES ARE EXCESSIVE.

In the course of this debate, Mr. President, it has come to be a sufficient answer to any question which any Senator may ask as to an excessive rate for the members of the committee to say "that is the Dingley rate," as though that was the sum of all that need be said in defense. That was not the way Candidate Taft understood it. That was not what the voters of the country meant when for four, six, eight years they were clamoring here for a revision of the tariff until they forced it upon a reluctant Congress, until they made a new division in the Republican party, until they coined and put into the speech of the people of this country a new name—"standpatters"—to designate a small but powerful minority of the party. It was the pressure of public sentiment demanding revision of the tariff which gave rise to a designation of a political status typified by men who would not revise the tariff, and they comprised the Tory element of the House of Representatives who were able for years to stand pat and thwart all effort of the people for revision.

William H. Taft, as the nominee of the Republican party, understood just what the people understood—that the Dingley tariff had served the country well, but its rates had become generally excessive. That was the general understanding, and Taft knew it, and he said it, and they voted for him because he was a progressive and not a standpatter. Reading further from that same speech—reading connectedly—he said:

> The Dingley tariff has served the country well, but its rates have become generally excessive. They have become excessive because conditions have changed since its passage in 1897.

He not only made the statement, but be reenforced it; he drove it home.

> Some of the rates are probably too low, due also to the change of conditions.

There would come no protest from the senior Senator from Iowa, none from the junior Senator from Kansas, none from the junior Senator from Iowa, none from any Senator on this floor, if rates had been advanced only upon reliable evidence that the difference in the cost of production warranted the advance. What did he say next? The very next words are these:

> But on the whole the tariff ought to be lowered.

Let those words ring in your ears—you, members of the Committee on Finance, who reported this bill.

> But on the whole the tariff ought to be lowered.

On the whole, I will demonstrate that you have raised it, and I will make so clear a demonstration that you can not get away from it.

In appealing to the members of the committee I should have said the member of the committee. As I run my eye over the Republican side I see only one. I appreciate his presence.

Listen!

But on the whole the tariff ought to be lowered in accordance with the Republican principles.

Read you [Senator DOLLIVER, of Iowa] out of the Republican party because you criticised the woolen schedule and the cotton schedule and the general character of this bill! They may do it here. They can not do it before the country. They can not do it in history. You can summon always the President of the United States as your first witness, for he said at Cincinnati, on the 22d of September:

But on the whole the tariff ought to be lowered in accordance with the Republican principles and the policy that it has always upheld, of protection of our industries.

Still further along in this same speech the President said:

The movement in favor of revision has arisen within the Republican party and is pressed forward by members of the Republican party. The revision which they desire is a revision which will reduce excessive rates.

THE BILL WILL TEST PARTY'S GOOD FAITH.

Mr. President, in the course of this debate the Republicans who oppose this bill have been frequently accused of party disloyalty. But I say that the Republican Members of the committee responsible for this bill are not the final authority, or the best authority, on the question of loyalty to the party or to the public.

Mr. President, in reading the roll call, for which I have been sometimes criticised, and often misrepresented, I have never attacked any individual Senator, nor said anything about the United States Senate I would not say here. I have dealt with legislation, not individuals, and have presented the facts and stated the principles involved, and have said this legislation was disposed of by the following vote, and have read from the CONGRESSIONAL RECORD the names of those voting for and those voting against certain measures. I have done that upon the principle that we are representatives of the people of our States and of the United States, and that they are the final judges as to whether we represent their interests, and that they are the final authority as to our party loyalty or disloyalty.

Mr. Taft said revision was being pressed forward by the Republican party, and when this bill is understood, that party will determine who has, and who has not, kept faith.

Mr. Taft said:

The revision which they desire is a revision which shall reduce excessive rates, and at the same time preserve the industries of the country.

Mr. President, every American citizen, whatever his party, his profession, or his business, desires the preservation and prosperity of our industries. No wage-earner would vote for the injury or destruction of our great manufacturing industries, because that would mean loss of employment. But it is beginning to sink into the mind of the man who toils in the factory and to take hold of his convictions in a lasting way, that while he is getting a wage in excess of the wage of the man with whom he competes in foreign countries, when that wage comes to be expressed in living, in rent, in butcher's bills and grocery bills and clothing bills and doctor bills, there is something to be considered besides the mere difference in the American and the foreign wage scale. He understands that hours of labor and cost of living are important factors in this tariff problem.

Now, when a candidate for the Presidency came forward with a declaration that there should be a revision that should reduce excessive rates it appealed to the man whose cost of living had advanced 50 per cent since the Dingley Act was passed and whose rate of wages had not kept pace with it by any measure of means. It took hold of him, and we ought to consider that here. We are obligated, morally and politically, to consider it, we Republicans who are making a tariff law, and we should make the law in accordance with the conditions upon which we induced the voters of this country to cast their ballots in November, 1908.

The President says further in this same speech:

I wish there to be no doubt in respect to the revision of the tariff. I am a tariff revisionist, and I have been one since the question has been mooted.

REPUBLICANS MUST MAKE BILL CONFORM TO PARTY PROMISE.

On September 24, 1908, I spent the day with Mr. Taft. He visited my home city. I had the pleasure of presenting him to a large audience in the gymnasium of the University of Wisconsin, where he spoke. I went with him from Madison, rode with him during the day, and heard him deliver a number of addresses. He closed the day with a speech at Milwaukee. Mr. Bryan had been in Milwaukee shortly before, and it was expected that he would soon visit the State of Wisconsin again and travel to a considerable extent over the same course taken by Mr. Taft. So Mr. Taft's Milwaukee speech was in effect an answer to Mr. Bryan on the tariff question. He said:

The encouragement which industry receives leads to the investment of capital in it, to the training of labor, to the exercise of the inventive faculty of which the American has so much, and in practically every case in which adequate protection has been given the price of the article has fallen, the difference in the cost of producing the article abroad and here has been reduced, and the necessity for maintaining the tariff at the former rate has ceased.

. . . . There are many articles in common use to-day which were unknown when the Dingley tariff bill was enacted. Conditions with respect to the cost of articles abroad have changed just as they have changed in this country, so that the difference between the cost of production at home and abroad ten years ago was in many instances different and less than it is to-day.

. . . . And that the tariff is greater than the differential between the cost of production at home and abroad, and that it should therefore be reduced.

I can say that our party is pledged to a genuine revision, and as a temporary head of that party, and President of the United States, if it be successful in November, I expect to use all the influence that I have by calling immediately a special session, and by recommendation to Congress to secure a genuine and honest revision. . . .

He put his interpretation upon what would be a genuine and honest revision.

It is my judgment, as it is that of many Republicans, that there are many schedules of the tariff in which the rates are excessive, and there are a few in which the rates are not sufficient to fill the measure of conservative protection.

A conservative protection, not a blind, irrational protection. He said further:

It is my judgment that a revision of the tariff, in accordance with the pledge of the Republican platform, will be on the *whole a substantial revision downward*, though there probably will be a few exceptions in this regard.

So, Republican Senators, when you scan this bill and analyze it, if it does not square itself with that declaration, taken in connection with the Republican platform, I say to you that you can not, acting in good faith with the people of this country, vote for the bill. It must embody a substantial revision downward or it is a violation of the Republican pledge made by the man who carried the flag of the Republican party to victory in 1908.

In another speech on the tariff, delivered at Des Moines, Iowa, September 25, 1908, Mr. Taft said:

It is my judgment as it is that of many Republicans that there are many schedules of the tariff in which the rates are excessive, and there are a few in which the rates are not sufficient to fill the measure of conservative protection.

Again, in the State of Iowa, he was appealing to Republican voters upon the basis of conservative protection; and again he construed the party pledge to mean that many of these schedules must be reduced and that the increases, if any, would constitute but the few exceptions.

Again he said in that connection:

It is my judgment that a revision of the tariff in accordance with the pledge of the Republican party will be on the whole a substantial revision downward—

Using the same language he used in Milwaukee—

though there probably will be a few exceptions in this regard.

As the temporary leader of the party I do not hesitate to say, with all the emphasis of which I am capable, that if the party is given the mandate of power in November it will perform its promises in good faith.

You Senators from Iowa, from Nebraska, from Minnesota, you Senators from the whole Mississippi Valley, well you know the language used at Des Moines, and at Milwaukee, and at every other place where Mr. Taft spoke on that remarkable tour through the great Mississippi and Missouri valleys. I say to you that the men who voted for him will look to you to see that this tariff is revised upon the lines laid down by the President when he made that memorable campaign and met face to face the voters of that great and populous section of the country.

Finally, in his inaugural address of March 4, Mr. Taft said:

It is thought that there has been such a change in conditions since the enactment of the Dingley Act, drafted on a similarly protective principle, that the measure of the tariff above stated will permit the reduction of rates in certain schedules and will require the advancement of few, if any.

If the Republican platform at Chicago admits of the diverse interpretations it has been given in this debate, there is all the more reason for this emphasis on Mr. Taft's utterances. The people if doubt existed, accepted the interpretation of their candidate for President, who promised to call a special session to revise the tariff, and who, they well understood, must pass final judgment when the bill was brought to him for approval.

So, I say, we approach the consideration of the tariff bill under obligations which we can not shirk or put aside, which must be binding upon us, and which require us, on the whole, to revise the tariff downward; which require us to adopt, if there is necessity for advance of any rate, a conservative protective policy with respect to that advancement.

Mr. President, that brings me to the consideration of the work of the committees of Congress in the treatment of this bill, and at this point, at the request of the Senator from West Virginia [Mr. ELKINS], who is especially desirous of addressing the Senate this afternoon, I will yield temporarily and later resume what I have to say.

Mr. ELKINS. Mr. President——

Mr. BEVERIDGE. I think attention should be called to the fact, inasmuch as the Senator from Wisconsin has yielded, that the Chair held that he not being here thirty minutes after the recess expired, the floor had been yielded, and he had to resume it again; and that now yielding, it puts him in the position of having spoken twice on one day. That ought to be noted.

Mr. LA FOLLETTE. I will say, if there is any difficulty about my taking the floor to continue what I have to say, I will adjust myself to it very easily by offering an amendment, which will give me a right to go on. I do not think there will be any narrow construction of the rule in this respect. I have not shown any disposition unduly to tax the patience of the Senate; I do desire to discuss this schedule in a somewhat thoroughgoing way; and I have not any doubt that I will be permitted to do so without any mere technicalities being applied to my right.

Mr. BURROWS. Mr. President, I am very sure there will be no question about the right of the Senator to proceed.

Mr. ELKINS. Mr. President——

Mr. NELSON. Will the Senator from West Virginia yield to me for a moment?

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Minnesota?

Mr. ELKINS. I do.

Mr. NELSON. I suggest the absence of a quorum.

The VICE-PRESIDENT. The Senator from Minnesota suggests the absence of a quorum, he having been yielded to for that purpose.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clarke, Ark.	Gallinger	Paynter
Bacon	Clay	Gamble	Penrose
Beveridge	Crane	Gore	Perkins
Borah	Crawford	Hale	Plies
Bourne	Cullom	Heyburn	Rayner
Bradley	Cummins	Johnson, N. Dak.	Root
Brandegee	Curtis	Johnston, Ala.	Scott
Briggs	Dick	Jones	Simmons
Bristow	Dillingham	Kean	Smith, Md.
Brown	Dixon	La Follette	Stephenson
Bulkeley	Dolliver	McEnery	Sutherland
Burkett	Elkins	Martin	Taliaferro
Burnham	Fletcher	Money	Warner
Burrows	Flint	Oliver	Warren
Carter	Frazier	Overman	
Clark, Wyo.	Frye	Page	

The VICE-PRESIDENT. Sixty-two Senators have answered to the roll call. A quorum of the Senate is present. The Senator from West Virginia will proceed.

Mr. ELKINS. Mr. President, the tariff debate in the Senate and the discussion in the public press make plain one fact, that the protective policy and protection sentiment is stronger throughout the country and with the people than at any other period in its history. The Senators who claim that the rates are too high and ought to be reduced, I think, are good protectionists and are sincere in what they are endeavoring to bring about.

But I do not agree with those Senators in the revision of duties downward, especially when they wish to go as far as the free list. I want to stop somewhere this side of the free list. I think the products of West Virginia are entitled to protection, the same as the products of other States. I want to put the reasons for protecting them on the same ground that is claimed for the manufactured products and the agricultural products of other sections of the Union.

Putting foreign products competing with American products in our home market on the free list is not reduction of duties, but it is destruction of property interests.

I still believe that protection in its broadest and best sense would be strengthened by placing a duty on every foreign product competing with American products in our markets, thereby insuring some measure of protection or some share in the distribution of duties on all competing American products, discriminating against none.

Some Senators consider what is called raw materials are not such products as are entitled to protection. What is generally termed "raw material" in one section is the manufactured product of another. Whenever money is invested in raw materials and labor has been expended on them, they become manufactured products and are entitled to protection the same as any other product and for the same reason.

Bismarck, more than twenty years ago, attributed the wonderful progress and prosperity of the United States to the protective policy, and urgently advocated protection for the German Empire, which it has adopted, and is now a strong protection nation. Germany protects more of her products than any other country in Europe, and as a result is to-day most prosperous and leads Europe in manufacturing. Germany has so arranged her tariff in the interest of protection that if she finds a foreign article being sold in her markets she immediately puts a duty on the same. In this way Germany drives competing products of other countries out of her markets, and has obtained such a degree of prosperity in manufacturing that she not only manufactures nearly everything her own people consume, but sends her manufactured products to the markets of England and other countries.

I wish to give some reasons for maintaining a duty on bituminous coal, among the leading and important industries of West Virginia and the whole country.

Coal and petroleum are finished products and entitled to the same consideration in fixing the duties on foreign products competing with American products in our markets as other manufactured products.

To produce coal and petroleum requires vast capital, large plants, great improvements, and the employment of labor; indeed, everything that enters into the manufacture of shoes, sugar, cutlery, woolen and cotton goods, tobacco, gloves, on all of which there are, in the present bill, duties ranging from 50 to 150 per cent. There should be no difference or discrimination against coal and petroleum in making the tariff.

Mr. President, I hold in my hand a table of some articles taken from the pending bill arranged in three classes—the high-duty class, the medium-duty class, and the low-duty class. In the high-duty class the duties range on foreign importations competing with American products from 50 to 262 per cent, in the medium-duty class the duties range from 22 to 50 per cent, and in the low-duty class range from 5 to 22 per cent.

Coal is in the low-duty class, the duty on lumber has been reduced 50 per cent, and oil is on the free list, as will be observed.

West Virginia is not ambitious that coal and petroleum should be in the high-duty class or medium-duty class. We would be quite satisfied if these products find a place in the list containing the low duties placed upon foreign products imported into the United States. We do not ask much; we are moderate in our demands, although the capital invested in these two great industries is equal to the capital invested in most of the leading industries of the United States.

Let me read from this table the list of duties; this will tell the whole story. If the products enjoying the protection which I am about to name are entitled to the high duties placed upon them, then coal and petroleum should not be on the free list, but have a reasonable duty.

The duty on tobacco is 262 per cent; cigars, 172 per cent; woolens and worsted cloths, 136 per cent; another class of worsted cloths—and I do not know one from the other, Mr. President—is 122 per cent. Here is tobacco again, 122 per cent; then all dutiable tobacco, 104 per cent; dress goods, 103 per cent; woolens and worsted cloths, 95 per cent; all manufactures of wool, 90 per cent; limes, 89 per cent; woolen yarns, 87 per cent; lemons, increased from 47 to 70 per cent. Then look at the list of agricultural products, all having high duties under the Dingley law—the duty on some of them is increased in the present bill.

Mr. President, I would be satisfied with the present duty of 67 cents on coal and a duty of 1 cent a gallon or even less on crude petroleum.

I insist that there is not an American industry more important than petroleum or coal.

When coal is reached in the table from which I am reading it is 22 per cent under the Dingley law, but as reported in the Payne bill it is made free, and petroleum is also made free. I can not understand this discrimination.

The table referred to follows.

Certain of the chief commodities ranked according to average ad valorem duty, per rates of the Senate bill on basis of imports of 1906.

[* indicates change of rates; † average ad valorem duty not ascertainable on account of change in rates.]

Paragraph of Senate bill.	Article.	Average ad valorem, imports of 1906.			Dingley income, 1907.	Senate estimate.
		Present rate (Dingley bill).	Senate bill.			
	High duty, average ad valorem over 50 per cent.	*Per cent.*	*Per cent.*	*Specific duty.*		
217	Tobacco, wrapper and filler mixed, with more than 15 per cent wrapper, and also leaf tobacco of two or more countries, mixed or packed together.	262.70	262.70	$1.85 per pound	$11,905,463.07	$11,905,463.07
221	Cigars and cheroots	172.04	172.04	$4.50 per pound and 25 per cent.	10,621.25	10,621.25
374	Woolen or worsted cloths, value not more than 40 cents per pound	136.73	136.73	33 cents per pound and 50 per cent.	37,378.42	37,378.42
373	Woolen yarns, value not more than 30 cents per pound	136.09	136.09	27½ cents per pound and 40 per cent.	31.18	31.18
374	Woolen or worsted cloths, value 40 to 70 cents per pound	122.29	122.29	44 cents per pound and 50 per cent.	224,596.07	224,596.07
217	Tobacco, filler, stemmed	122.32	122.32	50 cents per pound	240.00	240.00
217–221	All dutiable tobacco	104.41	104.39		26,125,037.41	26,113,185.29
376–377	Dress goods, wool manufactures	103.33	103.33		4,253,859.77	4,253,859.77
374	Woolen or worsted cloths, value above 70 cents per pound	95.48	95.48	44 cents per pound and 55 per cent.	1.67	1.67
217	Cigars and cheroots, Cuban	91.28	91.28	$4.50 and 25 per cent, less 20 per cent.	3,474,380.35	3,474,380.35
368 390	All manufactures of wool	90.30	90.30		36,554,815.89	36,554,815.89
273	Limes	89.23	89.23	1 cent per pound	38,901.65	38,901.65
373	Woolen yarns, value more than 30 cents per pound	87.73	87.73	38½ cents and 40 per cent	116,843.59	116,843.59
217	Tobacco, filler, stemmed, Cuban	72.52	72.52	50 cents per pound less 20 per cent.	1,508,798.36	1,508,798.36
273	Lemons (increase)	*47.27	70.90	1½ cents per pound	1,539,583.54	2,309,375.32
273	Oranges	69.13	69.13	1 cent per pound	211,275.49	211,275.49
217	Tobacco, filler, unstemmed	64.54	64.54	35 cents per pound	8,677,478.85	8,677,443.41
450–452	Gloves, men's, Schmaschen (sheep), lace finish	64.29	64.29	$3 per dozen	3,180.82	3,180.82
236	Rice, cleaned	64.08	64.08	2 cents per pound	539,084.67	539,081.11
151–153	Cutlery	*63.70	(†)		1,437,855.69	1,614,109.90
100	Plate glass, polished, unsilvered	63.55	63.55	10 to 22½ cents square foot	784,569.81	900,533.70
213	Sugar, above No. 16 Dutch standard	*64.32	63.00	1.91 cents pound	81,220.43	82,060.91
213	Sugar, not above No. 16 Dutch standard	61.43	61.71		59,947,799.73	59,247,819.69
442	Hats, fur, not over $5 per dozen	*94.66	61.66	$1.25 and 15 per cent	4,743.13	3,087.12
326	Hosiery, value not exceeding $5 per dozen	60.16	60.16	50 cents to $2 and 15 per cent.	4,115,446.35	4,115,446.35
345	Laces, lace window curtains, etc., cotton	60.00	60.00	60 per cent	23,843,088.97	23,843,001.89
227	Barley	55.23	55.23	45 cents bushel	3,544.50	3,544.50
395	Silk fabrics, woven in the piece	*55.09	(†)		6,766,856.66	8,936,881.29
326	Hosiery, value over $5 per dozen	*55.00	55.00	55 per cent	23,295.90	23,295.90
217	Tobacco, filler, unstemmed, Cuban	54.73	54.73	35 cents less 20 per cent	1,508,798.36	1,508,798.36
310–330	All manufactures of cotton	*51.00	(†)		14,271,036.64	15,023,722.66
236	Rice, uncleaned	53.66	53.66	1½ cents per pound	357,079.84	357,079.84
450–452	Gloves, all gloves	51.89	51.89		4,243,363.57	4,243,363.57
101	Glass, cylinder and crown, polished, silvered, and looking-glass plates exceeding 144 square inches.	*54.45	51.47	11 to 25 cents per square foot.	715.05	543.51
	Medium duty—average ad valorem 21 to 50 per cent, inclusive.					
418	Hats, bonnets, and hoods, straw, chip, etc., trimmed	50.00	50.00	50 per cent	74,491.35	74,472.59
398	Ribbons	50.00	50.00	do	920,674.23	920,661.49
67	Soap, fancy, perfumed, etc. (increase)	*35.00	46.66	20 cents per pound	181,085.97	241,447.93
97	Glass, cylinder, crown, and common window	*46.30	46.10	1¾ to 4¾ cents per pound	545,382.74	543,084.75
442	Hats, fur, value $10 to $20 per dozen	*56.13	43.90	$4 per dozen and 15 per cent.	39,108.26	30,139.56
365–366	Wool, classes 1, 2, and 3	43.47	43.47	33 to 36 cents per pound	16,562,748.08	16,562,748.08
442	Hats, fur, value $5 to $10 per dozen	*57.48	43.19	$2.25 per dozen and 15 per cent.	42,535.05	31,901.27
128	Tin plate	*52.87	42.29	1.2 cents per pound	2,120,292.65	1,695,513.98
228	Malt, barley	40.80	40.80	4.5 cents per bushel	1,512.90	1,512.90
189	Clocks	40.00	40.00	40 per cent	236,809.80	236,809.80
242	Cheese	39.22	39.22	6 cents per pound	2,009,525.16	2,009,525.16
313–317	Cotton cloth	*38.62	(†)		4,686,396.63	5,284,672.29
393	Spun silk	*37.54	(†)		1,427,480.08	1,883,915.80
442	Hats, fur, value more than $20 per dozen	*48.17	37.11	$5.50 per dozen and 15 per cent.	39,108.26	30,139.56
352	Flax, hemp or ramie; woven fabrics less than 4½ ounces per square yard and counting more than 100 threads per inch.	35.00	35.00	35 per cent	1,481,080.42	1,481,047.07
453	Harness, saddles, and saddlery	*45.00	35.00	do	72,284.78	56,221.49
418	Hats, bonnets, hoods, straw, chip, etc., not trimmed	35.00	35.00	do	74,481.35	74,472.54
310	Cotton thread and carded yarns (not including spool thread)	*33.98	(†)		1,071,890.69	1,113,289.65
238	Wheat (increase)	*26.54	31.85	30 cents per bushel	4,785.73	5,742.60
282	Meats, preserved or prepared	25.00	25.00	25 per cent	102,095.91	102,095.91
73	Soda ash	*38.77	25.84	¼ cent per pound	25,294.67	16,863.10
239	Wheat flour	25.00	25.00	25 per cent	39,384.99	39,384.99
280	Bacon and hams	24.29	24.29	5 cents per pound	23,775.32	23,775.32
231	Corn (increase)	*17.99	23.99	20 cents per bushel	1,425.89	1,900.18
236	Paddy (rice)	22.92	22.92	¾ cent per pound	11,158.71	11,158.71
424	Coal, bituminous	22.32	22.32	67 cents per ton	695,480.10	695,480.10
	Low duty—average ad valorem 20 per cent or less.					
118	Bar iron, bars, blooms, billets, etc., charcoal used in manufacture	*31.37	20.91	$\frac{4}{10}$ cent per pound	442,519.22	295,012.80
424	Coke	20.00	20.00	20 per cent	112,517.36	112,517.36
67	Soap, castile	19.25	19.25	1½ cents per pound	64,419.58	64,419.58
281	Beef, fresh	19.10	19.10	2 cents per pound	7,566.43	7,566.43
124	Steel rails	*33.44	16.72	$3.92 per ton	30,670.02	15,333.24
236	Rice flour, meal, and broken rice	16.72	16.72	¼ cent per pound	346,974.15	346,974.15
116	Pig iron	*26.31	16.44	$2.50 per ton	2,174,688.46	1,359,180.02
275	Pineapples	16.06	16.06	7 cents per cubic foot	107,189.16	107,139.16
129	Steel	*20.13	(†)		637,836.50	679,696.55
448	Boots and shoes	*25.00	15.00	15 per cent	41,155.30	24,690.74
448	Upper leather	*20.00	15.00	15 per cent	433,589.15	325,199.86
448	Calfskin leather	*20.00	15.00	15 per cent	41,370.80	31,028.10
237	Rye (increase)	*7.50	15.00	20 cents per bushel	15.75	31.50
117	Flat iron, rolled or hammered	*27.33	13.66	$\frac{1}{10}$ cent per pound	23,970.37	11,985.19
405	Paper, printing	*15.56	13.37	$\frac{1}{10}$ to $\frac{2}{10}$ cent per pound and 15 per cent.	96,040.38	80,940.75

Certain of the chief commodities ranked according to average ad valorem duty, etc.—Continued.

Paragraph of Senate bill.	Article.	Average ad valorem, imports of 1906.			Dingley income, 1907.	Senate estimate.
		Present rate (Dingley bill).	Senate bill.			
	Low duty—average ad valorem 20 per cent or less—Continued.					
		Per cent.	*Per cent.*	*Specific duty.*		
115½	Iron ore	*19.30	12.06	25 cents per ton	$391,544.43	$244,715.27
402	Wood pulp, chemical, unbleached	10.15	10.15	⅛ cent per pound	266,885.21	266,885.21
402	Wood pulp, chemical, bleached	9.88	9.88	⅛ cent per pound	210,305.74	210,305.74
116	Spiegeleisen	*15.24	9.52	$2.50 per ton	329,690.03	206,056.28
117	Round iron, not less than $\frac{1}{16}$ inch in diameter	*14.02	7.01	$\frac{1}{16}$ cent per pound	22,571.18	11,285.60
197	Lumber, other than whitewood, sycamore, and basswood	*12.94	6.47	$1 per 1,000	1,794,325.13	904,476.56
116	Ferromanganese	*8.20	5.13	$2.50 per ton	378,173.11	236,358.15
448	Leather, band, belting, and sole	*20.00	5.00	5 per cent	12,347.82	3,086.96
448	Skins for morocco, tanned but unfinished	*10.00	5.00	....do	311,282.22	155,641.09
197	Lumber, whitewood, sycamore, and basswood	*5.98	2.99	50 cents per 1,000	13,872.26	7,459.78
	Free.					
672	Calfskins					
541	Cotton					
561	Hides of cattle	*15.00				
402	Pulp wood				678,161.54	481,983.81
668	Silk, unmanufactured					
692	Tobacco stems					
402	Wood pulp, mechanically ground	12.26			200,970.59	4,792.86
	Petroleum					
	Coal					

IMPORTANCE OF COAL.

Mr. ELKINS. I wish now to give some figures and data to show the extent and importance of the coal industry of the United States. The production of coal last year, and it was a dull year, was 419,000,000 tons, worth $500,000,000 at the mouth of the mine. This includes anthracite coal. In estimating the value of coal, the cost of transportation must be considered, because transportation adds so greatly to the cost of coal, so that in many instances it is worth twice as much as the coal and often three times as much. Therefore, if we consider the question of the transportation of 419,000,000 tons of coal it is equal at least to $800,000,000, making the total cost of coal at the points of consumption and distribution $1,300,000,000. So there is involved in the coal industry in mining and transportation this enormous sum of money every year.

Coal going to New England from West Virginia is worth say $3.25 to $3.50 a ton in any of the ports of New England; $2.10 of this is transportation. It is $1.40 by rail and 70 cents by water. West Virginia has to send her coal by rail 400 miles and by water 600 miles to reach New England, to compete there with Nova Scotia coal.

Nearly 3,000,000 people depend upon this industry for a living. There are thousands of towns and small communities scattered all over the country dependent almost entirely on coal mining and the coal industry, just as there are towns and communities everywhere dependent upon the steel, iron, shoe, leather, cotton, woolen, and other industries.

The capital invested in coal lands, mines and improvements will reach into thousands of millions. With this vast outlay of capital and the people employed, it becomes a very serious matter to disturb or impair in any way the coal industry.

It is said this will only affect some of the coal States in the East and a few States in the Northwest. I wish to lay it down as a general proposition that when anything tends to reduce the price of a commodity in a given locality this reduction affects the price of the commodity all over the country, and if the price of coal is reduced or coal mining is destroyed in certain States you affect the price of coal generally.

West Virginia last year produced over 40,000,000 tons, and the year before, I think, 48,000,000 tons. This coal was valued at the mouth of the mine at the lowest estimate at $40,000,000. Nearly 80 per cent of this cost was labor. It cost $64,000,000 for transportation to get the coal to market.

So there is involved in the coal industry in my State $104,000,000 every year to mine and get the coal to the point of transportation and distribution.

It is estimated that 50,000 miners and laborers are employed in and about the mines in West Virginia.

Coal mining is the chief industry of West Virginia, and has been for two generations. The owners and operators of coal mines are not alone the parties interested. The coal miners, coke drawers, handlers, and outside laborers dependent on the successful operation of coal properties are also interested.

The bankers, merchants, grocers, and farmers near the mines, as well as many other people, are directly or indirectly interested. A large coal plant is always the nucleus of a town, which depends on the working of the mine. The abandonment or the closing of large and established mines, or their impairment, would destroy whole communities and towns and bring distress and ruin to many people.

Pennsylvania, Ohio, Illinois, Indiana, and other coal States consume within their borders most of the coal they produce. Pennsylvania produces 225,000,000 tons of coal, and outside of anthracite coal most of it is consumed in supplying the needs of the State, while West Virginia has but few manufacturing plants. Having natural gas in many counties it is used for domestic purposes and for operating mills, factories, plants, and mines.

The cost of mining West Virginia coal is from 85 cents to $1 per ton; when sold to New England the railroad freight is $1.40; water freight, 70 cents per ton; commissions and insurance, 20 cents; total, $3.30 per ton alongside in New England.

The price of West Virginia coal in New England is about $3.50 per ton, but it is often sold as low as $3 to $3.25, sometimes lower. The actual difference in the price of Nova Scotia and West Virginia coal in New England is from 75 cents to $1 in favor of Nova Scotia coal.

THERE HAS ALWAYS BEEN A DUTY ON COAL.

Since the formation of the Government there has never been a moment that there was not a duty on bituminous coal. It is singular that now it is sought to take off this duty and put coal on the free list. Even under the Wilson law there was a duty of 40 cents a ton.

The duty on bituminous coal since 1789 is shown in a table which I will ask to have inserted in my remarks. The duty runs from 56 cents a ton in 1789, under a bill drawn by James Madison, to 84 cents in 1792, $1.26 in 1794, and in 1812, $2.80; under the Walker tariff, the great Democratic tariff, $1.75; under the Wilson law 40 cents, and that did not last long. Even that 40 cents Mr. Bryan voted for and some Senators who were then members of the House.

The VICE-PRESIDENT. Without objection, consent will be granted to insert the table in the RECORD.

The table is as follows:

Duty on bituminous coal since 1789.

	Duty per ton.
1789	$0.56
1790 to 1792	.84
1792 to 1794	1.26
1794 to 1812	1.40
1812 to 1816	2.80
1816 to 1824	1.40
1824 to 1842	1.68
1842 to 1846	1.75
1846 to 1857	.65–.75
1857 to 1861	.55–.65
1861 to 1862	1.00
1862 to 1864	1.10
1864 to 1872	1.25
1872 to 1893	.75
1893 to 1894	.75
1894 to 1897	.40
1897 to 1909	.67

Mr. ELKINS. From the beginning of the Government to the present time *no President, no Congress*, no national platform of any political party, and none of the great statesmen of the past has favored free bituminous coal.

A low duty on coal would injuriously affect in the West the mining interests of the States of Oregon, Washington, Wyoming, Utah, Alaska, and parts of Montana, and in the East the mining interests of West Virginia, Maryland, and eastern Pennsylvania, while the coal interests of Iowa, Illinois, and Ohio might not be hurt.

I have a letter received here from a producer of coal, written from Seattle, which I will ask to have inserted in my remarks:

The letter referred to is as follows:

WALTER OAKES, *President and Treasurer.* HERVEY LINDLEY, *Vice-President and Secretary.*

THE ROSLYN FUEL COMPANY,
ROOMS 607–610 LOWMAN BUILDING.

L. P. KETCHAM, *Sales Agent.*

SEATTLE, WASH., *May 22, 1909.*

Hon. STEPHEN B. ELKINS, *Washington, D. C.*

DEAR SIR: As a coal operator in the State of Washington, I want to protest against the removal or reduction of the duty on coal. We are at a disadvantage with the British Columbia mines and absolutely need the protection in competition with them for the following reasons:

1. They pay lower wages there.
2. They have longer hours.
3. They employ Chinese and Japanese labor, which we can not do here if we want to do so.
4. The adjacent British Columbia mines, besides, have other advantages in a water haul to Puget Sound market, instead of rail haul. This makes a cheaper rate than from our mine by 60 cents, and also greater than from many other mines.
5. The British Columbia fields are easier and more cheaply mined than ours, from the character of the veins and the way they lie.
6. The British Columbia coals are higher grade than most of our coals.
7. They are marketing large quantities of coal here on the present basis, both on the coast and in the interior. A large amount is shipped into Spokane and adjacent territory from various mines in British Columbia territory. A large tonnage is also imported into the Puget Sound district from Vancouver Island. This shows that the removal of duty is unnecessary, and, if done, they can do business on a 67 cent a ton larger basis. The history of former period of removal of duty was that they reduced prices temporarily until many of our mines had to shut down, and then raised them again, so the consumer did not get the benefit.
8. To protect this district from coal shortage. When the last shortage existed no coal could be obtained from the British Columbia coast market. Our own fields must be developed, therefore, to take care of consumers.
9. If duty is taken off, it will tend to prevent or delay the development of the Alaska fields, where the highest grade coal on the coast is found.

The people of this State seem to be practically unanimous in favoring the retention of duty, realizing that they will not secure any reduction in prices if duty is removed. The prices that are charged for coal in Victoria and Vancouver have been as high, or higher, than are charged here.

I trust you will appreciate the force of above arguments and use your influence and vote to prevent removal of duty.

Yours, very truly,

THE ROSLYN FUEL CO.
By WALTER OAKES.

BRITISH COLUMBIA COAL.

Mr. ELKINS. Just as the writer says, the coals of British Columbia are inexhaustible and better than the coals of Washington, Wyoming, Oregon, and other Western States, while in the East many of the coals of West Virginia, Maryland, and western Pennsylvania are better than the Nova Scotia coals. If coal with the cheap labor of Canada is made free, or a low duty is imposed upon it and our market opened to British Columbia coals, the American mines in those States that can be reached in short distances by railroad from Canada will close, and the coal industry in those localities, with the towns and communities dependent on it, will absolutely be destroyed.

The Crows Nest and other mines in Canada produce better coal than the mines of Washington, Idaho, Wyoming, Oregon, and Alaska, and in the next place the Canadian coal can reach the markets in many places at lower rates than the coals of the States named.

The only reason why all the mining operations of those States would not close in the event of free coal is the matter of transportation. The transportation would be too high to allow the coal to be hauled long distances, but just as far as these coals can be hauled in competition with American coal they will drive the American coal out of the market.

Mr. SCOTT. Will my colleague yield to me a moment?

Mr. ELKINS. Certainly.

Mr. SCOTT. Is it not true that in Nova Scotia there are large coal fields now only waiting to be opened up and developed, provided there is no duty placed upon coal so that it can be brought in?

Mr. ELKINS. Yes; that is true. New mines in Nova Scotia are ready to be opened whenever the duty of 67 cents is removed. Nova Scotia sent 700,000 tons of coal last year to New England after paying the duty.

Mr. GALLINGER. Mr. President, does the Senator think that putting coal on the free list would do much good so far as the consumer is concerned?

Mr. ELKINS. No; not a bit.

Mr. GALLINGER. I asked that question for the reason that we had free coal a few years ago, and we in New England, notwithstanding a million tons more or less were sent in from Nova Scotia, did not discover that we got our coal any cheaper because of the fact that it came in from Nova Scotia free. It displaced that much West Virginia and Pennsylvania coal, but the profits went into the pockets of certain well-known gentlemen with whom doubtless the Senator from West Virginia is acquainted.

Mr. ELKINS. The Senator is right, as he always is on economic questions. We did not get the coal any cheaper, but, strange to say, we imported 3,000,000 tons into this country in eight months. A part of that came from England. The price was maintained all the time. It did not go 1 cent lower.

Mr. JONES. Mr. President, will the Senator yield to me for a moment?

Mr. ELKINS. Certainly.

Mr. JONES. The Senator may cover this point possibly later on in his address in connection with Pacific coast coal. I wish to suggest that some of the best anthracite coal fields are found in Alaska. Some of the best naval coal is there and in British Columbia. About 75,000 tons a year are now being shipped into that territory. If the duty is taken off it will prevent the development of those fields in Alaska, and it would be of great value to this country if we could get them developed.

Mr. ELKINS. I thank the Senator from Washington for the suggestion. He is right. Last year 250,000 tons of coal were brought into Alaska from British Columbia, paying 67 cents duty. The mines in Alaska are not yet opened. Take off the duty and it will be seen that the American operator would have no show at all.

NOVA SCOTIA COAL.

Mr. President, I wish to give some facts touching the production of coal in Nova Scotia. Nova Scotia produced last year 5,800,000 tons of coal. Six hundred thousand or 700,000 tons of it came into New England. The rest, 5,000,000 tons, was consumed in Canada. It was consumed there as far as railroad transportation would allow it to go. The coal can only go as far west as Montreal, and from Montreal to Winnipeg, a distance of 1,600 miles, there is no coal. Nova Scotia coal is used with the greatest success for domestic purposes in Canada. It drives every wheel and operates every plant in Canada. It is used on all the railroads. It does for the people of Canada what it will do for the people of New England if we take this duty of 67 cents off. It will displace in the end the coal of West Virginia, Maryland, and Pennsylvania, and I want to show what interests would be impaired. In Massachusetts and Maine we have $4,000,000 worth of shipping now hauling coal from Norfolk and Baltimore to New England. That would go by the board. There are $4,000,000 invested in barges. This is all American investment. They would have to go out of business, not to speak of displacing 16,000,000 or 20,000,000 tons of coal from the three States, of which 14,000,000 is from West Virginia.

This is a matter of deep concern to West Virginia, Maryland, and Pennsylvania. We can not allow this vast trade and this great interest to be impaired. Besides, the great coal railroads of West Virginia, the Norfolk and Western, the Baltimore and Ohio, the Chesapeake and Ohio, were built largely as coal roads, and to take from these roads 16,000,000 tons traffic per annum would be a great loss to the roads and the stockholders.

Mr. SCOTT. Will my colleague allow me?

Mr. ELKINS. Certainly.

Mr. SCOTT. I wish to call attention to the new road that has been built through our State and through old Virginia. The Senators from old Virginia as well as West Virginia are very much interested in that new road. It is one of the greatest coal roads that has ever been built in this country.

Mr. ELKINS. That is true. It cost from $40,000,000 to $60,000,000. The late Mr. Rogers built the road out of his private fortune.

Mr. SCOTT. For nothing but coal hauling.

Mr. ELKINS. As my colleague suggests, that road will develop a vast coal section in West Virginia.

The people of West Virginia who are engaged in coal mining are most estimable citizens, good business men, and employ large capital in their business, and incidentally build up communities and employ vast numbers of wage-earners. On what

ground can any distinction or discrimination be made against the coal-mining industry in favor of other industries?

The senior Senator from Kentucky [Mr. PAYNTER], sitting near me, who so ably represents a great coal State, is deeply interested in this question of a proper duty on coal. Very soon from this new railroad connection, or Virginian railroad, coal will be shipped from his State to Norfolk, thence by water to New England and New York.

It will be asked if West Virginia coal is better, why is it not used in New England to the exclusion of Nova Scotia coal? In the first place, Nova Scotia in the last six or seven years has only been able to supply that part of Canada east of Montreal and send 700,000 tons to New England. With her present development she can not supply much more coal than she now furnishes Canada and sends to us.

Nova Scotia has about a thousand square miles of coal, containing four veins whose average thickness is about ten feet, making about six thousand millions of tons of coal, two-thirds of it as good as West Virginia coal. Now remove the duty and give this coal the New England, New York, and New Jersey markets, and the result would be that Nova Scotia in a few years would furnish New England nearly all the coal she now gets from West Virginia, because Nova Scotia coal could be sold for lower prices. It will be asked, Why should not the people of New York and New England get their coal cheaper? The answer to this involves the whole question of protection. If New England and the East ought to have cheaper coal and get it by taking off the duty, then why should not the duties on all manufactured products competing with those of New England be also taken off, so that the people all over the country could get them cheaper? The principle of protection is to build up our home industries by manufacturing our own products—this gives our people employment, keeps the money in the country, and makes this country an independent and self-reliant nation.

ANALYSES OF WEST VIRGINIA AND NOVA SCOTIA COALS.

I have analyses taken from the United States Navy reports comparing the West Virginia and Nova Scotia coals. I know it is technical to talk about fixed carbon, volatile matter, ash, and sulphur. Probably all Senators will not understand these terms, and I shall not detain the Senate to read them, and will only add that Nova Scotia was so ambitious about her coal and its good qualities that her coal operators bid against the best West Virginia coal to supply the United States Navy.

To show the quality of Nova Scotia coal and the best coal from West Virginia, I submit the following:

Analyses taken from the United States Navy reports.

	Moisture.	Volatile.	Fixed carbon.	Ash.	Sulphur.
Nova Scotia coals:	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*
Cape Breton	2.78	32.27	59.52	4.26	1.10
Pictou	2.10	32.27	57.57	7.56	.50
Spring Hill	1.02	34.58	60.82	3.78	1.20
West Virginia coals:					
Pocahontas (average of 12 analyses)	.69	18.83	74.07	5.65	.76
New River (average of 12 analyses)	.82	20.55	74.11	4.52	.55
Page	.....	33.16	61.11	5.73	1.18

At a large steam plant in Maine during 1908 tests were made, under boilers, of West Virginia nut and slack coal, costing $2.95 per gross ton delivered, against Spring Hill, Nova Scotia, slack, costing $2.40 delivered, a difference in price of 18.6 per cent. Yet, as the result of these tests, Nova Scotia coal was awarded the contract; and in the same contract in 1909 Nova Scotia coal suppliers made a price of $2.20 per gross ton, including duty of 15 cents per ton, and were awarded the contract. West Virginia coal would now cost, owing to increased labor and freighting, $3.07 delivered, a difference in price of 25.7 per cent. To be on a competing basis, the West Virginia coal would now have to sell at $2.80, which would mean about 63 cents at the mines, considerably less than the average cost of production.

Analyses of Nova Scotia coals—Dominion Coal Company.

Name of seam.	Moisture.	Volatile.	Fixed carbon.	Ash.	Sulphur.
	Per ct.	*Per ct.*	*Per ct.*	*Per ct.*	*Per ct.*
Gowrie	0.50	31.41	62.73	5.36	2.71
Caledonia	.92	30.31	62.33	6.43	1.10
Reserve	.52	37.60	56.34	5.54	1.25
Lingan	.75	37.26	58.74	3.25	1.35
International	.80	29.40	65.50	4.30	2.32
Gardner	.....	31.96	65.22	2.82	1.18
Victoria	.28	33.30	62.92	3.50	2.84
Old Sydney	1.26	35.51	59.11	4.11	1.70
Spring Hill	.30	32.60	64.48	2.56	1.21
Acadia	1.05	27.42	62.18	9.35	1.48
Intercolonial	.90	22.92	67.15	9.03	1.06
Reserve	2.78	32.27	59.52	5.43	[a]1.17
Nova Scotia	1.37	34.81	57.36	6.26	4.16

[a] United States navy-yard.

With the exception of three analyses, the figures show the Nova Scotia coal is as good as two-thirds of the coal of West Virginia or of Pennsylvania or of Maryland. The Pocahontas and New River coals are the best in the State of West Virginia. There is only 7 per cent difference in the heating value of Nova Scotia coal and the coal of West Virginia. Pocahontas coal is 14.805 British thermal units per pound of coal; the Nova Scotia coal is 13.755 British thermal units. This is one of the best tests. I find the duty on coal imported into Canada is 50 cents per ton. The duty on coal under the Dingley bill is 67 cents, and on slack it is 15 cents a ton. There has been in the last six years, owing, it is said, to some misinterpretation or evasion of the law, a loss to the United States Government in the way of duties of perhaps $200,000 a year. Under the Dingley law it was provided that coal slack which would pass through a half-inch screen could be imported from Canada at 15 cents. It turned out that pretty nearly everything which came in was slack. It was claimed that the coal was very fine; but the fact was that it was made into slack before and during shipment and when it got to Boston most of it was appraised as slack, because it was so fine that it would pass through a half-inch screen, although it was not slack produced in the ordinary way. Most of the coal imported as slack was ordinary coal and should have paid a duty of 67 cents a ton instead of 15 cents.

Mr. CLARK of Wyoming. Will the Senator yield to me just on that particular point?

Mr. ELKINS. I will.

Mr. CLARK of Wyoming. A great deal of coal that is shipped as coal passes through our custom-houses as slack. It is impossible to ship bituminous coal without creating more or less slack in the shipment. The importer would say to the custom-house officer, "You see that 50 per cent of that is slack." As to 30 or 40 per cent of the coal which is shipped and paid for by the people of the United States as coal, the shipments come through in that way—a certain part paying a duty of 67 cents and a certain part a duty of 15 cents, when it all should have paid the full rate.

Mr. ELKINS. That is a fact. But, following the suggestions of the Senator from Wyoming, the able chairman of the Judiciary Committee, who has just taken his seat, and with the consent and approval of the Treasury Department, an amendment defining "slack" has been prepared which it is hoped will correct this misinterpretation or evasion of the law that has been going on for six or seven years, which has had the effect of displacing West Virginia coal in the New England market and at the same time causing a loss to the Government in the way of duties of nearly $1,000,000.

To make this slack question clearer I will go more into detail. It seems that in loading the Nova Scotia coal after it was mined into the railroad cars it was dropped from an unusual height. This broke up the coal considerably. Then in unloading it into the boats taking it to Boston it was passed through a tube 60 feet long, with breakers. This also broke up the coal, so that by the time it reached Boston it would nearly all pass through a half-inch screen, and therefore most of it was set down as slack by the custom-house officer and paid only 15 cents a ton duty. Most all of these importations were made by the New England Gas Company, which has 400 by-product coke ovens near Boston, and the finer the coal the better it is suited for making coke; so this company not only got its coal in on a 15-cent duty, but it was prepared just to suit its purposes. This evasion of the law has engaged the attention of the Treasury Department for some time, and there have been various rulings on the subject besides suits instituted in the courts. I have prepared an amendment defining coal slack, which I think will prevent this further misinterpretation of the law.

Mr. FLETCHER. May I interrupt the Senator for just a moment?

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Florida?

Mr. ELKINS. I do.

Mr. FLETCHER. We are rather shy on that product in Florida and I do not know much about it. I should like to ask the Senator to tell us where the coal comes from which is imported into this country?

Mr. ELKINS. So far as the southern coal is concerned, Tennessee is producing very fine coal.

Mr. FLETCHER. But I mean the importations.

Mr. ELKINS. The importations are principally from British Columbia in the West and Nova Scotia in the East. The competitor with West Virginia coal is Nova Scotia coal lying right on the borders of New England. The Nova Scotia mines come down almost to the sea, a distance of 12 or 15 miles. West Virginia coal is hauled 600 miles by water and 400 miles by rail, while Nova Scotia coal is hauled but 15 miles by rail and 600

miles by water. This gives Nova Scotia coal a great advantage, about a dollar and twenty-five cents a ton in transportation alone.

There are American and Canadian capitalists waiting to see if coal is put on the free list to buy coal lands in Canada, and if they should, and open new mines, Nova Scotia coal will ultimately take the New England market, I think, except for the very best quality of coal, and in a few years take all the New England market. The result of this would be so disastrous, so ruinous, and demoralizing to West Virginia, Maryland, and eastern Pennsylvania that these States can never consent to the lowering of the duty on coal.

Mr. HEYBURN. Mr. President——

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Idaho?

Mr. ELKINS. Yes; I yield.

Mr. HEYBURN. If the Senator will permit me, before he passes from the question of duty, I desire to suggest that in the original tariff bill a duty of 50 cents a ton was levied upon coal. That was the tariff bill that was passed in 1787, the first tariff bill, passed by the First Congress.

Mr. ELKINS. James Madison drew it.

Mr. HEYBURN. Fifty cents was the duty levied in order that those coal beds, known then to exist but not developed, in what was then Virginia, and in Pennsylvania and in Maryland, and with a transportation that must be by wagon to the place of use, might compete with coal from England which came by water, and the Representatives of Virginia, Pennsylvania, and Maryland insisted on that duty of 50 cents a ton on coal in order that we might be able to develop our own coal fields and shut out the English coal.

Mr. ELKINS. It was put in for that very reason.

Mr. SUTHERLAND. Mr. President——

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Utah?

Mr. ELKINS. I do.

Mr. SUTHERLAND. In answer to the Senator from Florida [Mr. FLETCHER], the Senator from West Virginia stated that our importations of coal came from Nova Scotia.

Mr. ELKINS. Not altogether. I will correct that. I have the data right here.

Mr. SUTHERLAND. The Senator did not mean to say that there were not large importations of coal from other parts of Canada?

Mr. ELKINS. No; but so far as West Virginia and Maryland are concerned, they compete with Nova Scotia coal. The Western States of Oregon, Washington, Utah, Wyoming, Idaho, and Montana are concerned in this question. As I said before, the coals in British Columbia are better in quality than these coals. That is admitted by everybody. If the duty of 67 cents should be taken off, British Columbia coal will supply the demand of those States as far as the markets can be reached by rail. There are two railroads now being built to Crows Nest to haul this coal to points in the United States. Of course, more coal will come in if we remove this duty of 67 cents a ton.

Mr. SCOTT. I should like to ask my colleague, merely for information, Is there not a great deal of Australian coal that comes into this country as ballast?

Mr. ELKINS. Yes; that is so on the Pacific side undoubtedly.

Mr. SCOTT. And they furnish coal in the Philippine Islands.

Mr. ELKINS. Some coal comes as ballast to San Francisco from Australia. San Francisco also takes coal from British Columbia. Enormous quantities are shipped from British Columbia in foreign vessels just as on the Atlantic side. Norwegian steamers haul coal from Nova Scotia and American vessels do not get this business either on this side or on the Pacific side. Chinese labor is employed in manning the steam and sailing vessels going to San Francisco from British Columbia.

EARNINGS OF CANADIAN COAL COMPANIES.

To show the difference between the earnings of the Canadian coal companies and ours, I cite the following facts: The Dominion Coal Company, which is the great coal company of Nova Scotia, has 750,000,000 tons of coal in the ground. It has just been fairly organized and opened its mines on a large scale within the past six years, but during this time has done a profitable business. With a capital of $15,000,000 common stock, $3,000,000 preferred stock, and $5,000,000 in bonds, the Dominion Coal Company of Canada earned net last year $2,094,539.23, or a profit of 56 cents per ton, when we are satisfied with 15 cents and less on all of our coal. The Dominion Company paid 7 per cent on the preferred stock, 4 per cent on the common stock, and 5 per cent on the bonds. Practically all the imports from Nova Scotia to the New England States came from this company.

The Intercolonial Coal Company of Canada paid dividends last year of 7 per cent on the preferred stock and 8 per cent on the common stock. The preferred and common stock amounted to $2,800,000. The net earnings last year of the Crow's Nest Coal Company, which is the most promising and one of the most aggressive coal companies in western Canada, were $1,060,998. It paid dividends and also declared a stock dividend of $2,485,000 on April 23, 1908.

To confirm what I have said, I read an extract from letter dated June 1, 1909, written by a well-known English capitalist, familiar with coal property, who was asked to purchase a large coal field in the State of Tennessee. Here is what he said:

> You certainly have one of the finest coal properties I ever saw, and the only drawback to it, in my opinion, is its geographical position with respect to the consuming markets, and the consequent low selling price realized for the coal at the pit's mouth.
>
> I am at the moment very deeply engaged with our Nova Scotian coal field, where the margin between the cost of producing and the average selling price is about three times greater than in your district.

As I have said, the average profit that West Virginia coal operators are glad to get is 15 cents; and in the last two years none of the important coal companies of West Virginia have made a profit. The profits made on West Virginia coal are about one-third of the profits the Canadian coal operators make.

Agricultural products are highly protected in the pending bill; so are the products of all the factories, plants, woolen mills and cotton mills, tanneries, cloth factories, and steel and iron. Then why should not coal be treated fairly; why make any distinction between it and other manufactured products?

Mr. FLETCHER. May I ask the Senator just one other question?

The VICE-PRESIDENT. Does the Senator from West Virginia yield to the Senator from Florida?

Mr. ELKINS. Yes.

Mr. FLETCHER. What would 67 cents a ton be on an ad valorem basis? The Senator says he wants a duty of 67 cents a ton.

Mr. ELKINS. It is according to the price. If the price be three dollars and a half, that would be 40 per cent. No; I am mistaken.

Mr. FLETCHER. I am trying to get at that.

Mr. ELKINS. No; it would be a little over 20 per cent ad valorem. I am glad the Senator asked the question.

RECIPROCAL TRADE IN COAL WITH CANADA.

Mr. President, since the Payne bill has been under discussion there has been a movement, not for the first time in our history, but for the first time in recent years, to put coal on a reciprocity basis with Canada—rather to have reciprocal trade in coal with Canada. That would mean free trade with Canada as to Nova Scotia and British Columbia coal. Ohio, Illinois, and Indiana probably would not be hurt, nor would they be profited. So far as I can see, these States already hold the Canadian market between Montreal and Winnipeg, and they can not get a pound of coal except from the United States into that market, because the railroads can not haul coal west of Montreal from Nova Scotia, nor from British Columbia mines east for a long distance. I oppose reciprocal trade because it would injure the great coal-producing States of both the East and West. I am opposed to reciprocal trade arrangements for another reason. They place in the hands and control of foreign countries the power to fix and regulate our tariff, to my mind a dangerous power. Suppose our operators had made contracts for coal for one or two years and the railroads had made their rates, would it be a wise thing to allow Canada to say on the following day the duties between the two countries should be reduced one-half or taken off entirely?

Going back in our history, in 1854 we tried reciprocity with Canada for ten years in coal and other products, mostly agricultural. I think there were 25 articles in the list, but the principal ones were agricultural products and coal. Canada never exercised her treaty rights so far as coal was concerned, and coal carried a duty all through the life of that treaty. The result was that in ten years the treaty was abrogated. It did not work well. The reason I refer to this is that the Payne bill provides for reciprocal arrangements between the United States and Canada as to coal.

Mr. President, I send to the Secretary's desk, and ask to have read, an extract from a speech made by the late Senator Gorman July 23, 1894, on coal, when the Wilson bill was under discussion. Senator Gorman was the acknowledged leader of his party in the Senate. He was a statesman of the highest order of ability, a man of the purest character, and took rank during his long service in this honorable body as one of the ablest, most useful, and influential Senators the Senate and country has ever known. I beg the attention of Senators on the other side of the Chamber to the words of this distinguished Senator.

The PRESIDING OFFICER (Mr. KEAN in the chair). Without objection, the Secretary will read as requested.

The Secretary read as follows:

In the first tariff bill which was ever passed, when we had statesmen who were near to the time of the formation of the Constitution, who understood a principle when they saw it better than some of us do who are a hundred years distant from that period, a tax on coal of 56 cents a ton of 2,240 pounds was levied; from 1792 to 1794 the tax was 84 cents a ton: from 1794 to 1812 it was $1.40 a ton; from 1812 to 1816 it was $2.80 a ton; from 1824 to 1842, the great Democratic period when the giants of the party controlled the Government and when we had undisputed control in every branch, what do you suppose was the tax levied on coal? One dollar and sixty-eight cents a ton. In 1842 it was increased to $1.75 a ton.

The treaty with Canada for reciprocal trade ran ten years, until 1866, and then, by the common consent of every patriotic Democrat in the country, without dissent on either side of the Chamber, we abrogated that treaty and put coal back upon the taxable list, and the duty remains now at 75 cents a ton.

What did the Senate propose to do? To put a tax of 40 cents a ton on coal, only one-half of what Robert J. Walker placed upon coal in his great Democratic tariff and less than was put upon it in the great tariff act of 1857, when R. M. T. Hunter of Virginia managed that bill in the Senate, as you (Mr. Voorhees) manage this now. We have fixed the duty 10 per cent lower than he fixed it.

Mr. SUTHERLAND. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Utah?

Mr. ELKINS. Yes.

Mr. SUTHERLAND. Before the Senator resumes his remarks, I have a letter, which I received this morning from Mr. S. W. Eccles, who is president of the Copper River and Northwestern Railway Company, a gentleman whom I have known intimately for many years, and I know him to be entirely reliable. If it will not disturb the course of the Senator's argument, I should be glad to have that letter incorporated in the RECORD.

Mr. ELKINS. I shall be glad to have it read, as I am sure it will throw light on the subject.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

COPPER RIVER & NORTHWESTERN RAILWAY CO.,
OFFICE OF THE PRESIDENT, 165 BROADWAY, NEW YORK,
New York City, June 1, 1909.

Hon. GEORGE SUTHERLAND,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I think I wrote you some time ago that I was president of the Copper River and Northwestern Railway, which is being constructed in Alaska, and we expect to have 200 or more miles completed by the end of 1910. We also have in contemplation construction of a branch 50 miles in length to the Bering River coal fields, from which large quantities of coal should be supplied the United States Government and the citizens residing on the Pacific coast. The cost of mining in Alaska will be heavy; so will the cost of railway transportation. We have elements to contend with there to a greater extent and the conditions generally are worse for cheap operation of the railway than in any other part of North America. At this time we are compelled to use coal mined in British Columbia, cost of which is about $12 per ton at the port of Cordova in Alaska. Naturally I am anxious to see the coal mines opened up so that we may develop that wonderful country where the business for a long time will be limited, and in order to do this we must operate under the most favorable conditions and one of the chief items of the cost is fuel. I believe it will be impossible for the miners to mine their coal, ship it by rail and steamer to Puget Sound and California ports unless every possible protection is given them and one of the items of protection is tariff; present duty is 67 cents per ton. If this is removed I think it will almost lock up the Alaska mines.

Living in the West as you have and having had the experience with transportation in the Rocky Mountains, you can to a great extent realize the seriousness of deep snow, washout, and other troubles. Am not advised as to your views with respect to duty on coal, but I hope it may be in favor of continuing the charge as now made. I believe it to be of the greatest possible interest to the people of the Pacific coast that the great coal fields in the ice-frozen region of Alaska shall be opened up. I therefore trust that in considering this important matter you will bear in mind what I have recited above.

Very truly, yours,

S. W. ECCLES, *President.*

Mr. ELKINS. I have had a great many letters of similar import, I will say to the Senate, confirming just what the writer of that letter states.

Mr. President, I wish to emphasize more sharply, if I can, that no discrimination ought to be made in the case of the coal industry in levying duties or guaranteeing protection. Coal is a great American industry, and entitled to protection the same as the farm products in the States bordering on Canada and the manufactured products of New England, Pennsylvania, New Jersey, and New York.

I notice that smelts, eels, barley, rye, pumice stone, and lemons are favored with high duties in the pending bill. In looking around to find something not protected in Massachusetts, it seems eels and smelts were the only products not on the dutiable list, and instantly a duty was imposed in the present bill upon eels and smelts. This fact, with high duties on nearly everything New York, New England, Pennsylvania, and New Jersey produce, encourages me to ask that the present duty on coal be not disturbed. Coal is already in the low-duty class.

Coal deep in the ground as nature left it is raw material, and no harm can result if in this state it should be put on the free list; but when it is mined and brought to the surface of the earth, it becomes a manufactured product, as much so as any other manufactured product, and should share in such protection as is accorded other American products. The same may be said of oil 3,000 feet below the surface of the earth, and the untouched trees in the deep forests. They are raw materials and left where nature placed them. I do not oppose their going on the free list, but when the trees are made into lumber and the oil pumped into tanks they become manufactured products and need protection.

With these words in behalf of retaining the present duty on coal, the greatest industry of my State, with its production increasing every year, destined, as I believe, some day to be the greatest coal-producing State in the Union, I will at an early day discuss the claims of West Virginia to have another leading and important industry reasonably protected.

PETROLEUM.

The production of petroleum is one of the leading and important industries of the country. Petroleum is now being produced in 15 States of the Union, and every year new discoveries are made in States where it was not expected to be found. Whenever found, it adds to the value of land; indeed, its discovery is always a new creation of wealth. The farmer who leases the land on royalty for the development of oil is the most interested person next to the oil producer. Leases of oil land provide for the payment of one-eighth of all the oil produced as a royalty; besides, for the privilege of exploiting lands to find oil, the farmer gets in the way of rent from $1 to $2 an acre.

The independent producers of the United States are vitally interested in the question of a duty on oil. This industry has had the advantage of a duty on foreign oil since it has been used for practical purposes. For the first time in its history it is proposed to put oil on the free list. Against this proposition the independent oil producers of the United States protest, and claim that this will work a great injustice to an important industry.

The Standard Oil Company can stand free trade in oil, but the independent producer can not. As an American product competing with foreign products at home and in the markets of the world, being a manufactured article, oil is entitled to consideration in the making of the tariff the same as any other manufactured article.

The independent oil producers are deeply concerned over putting petroleum on the free list. They produce 89 per cent of the crude petroleum of the country, and the opening of our markets and making them free to the petroleum-producing nations of the world would be a serious injury to their interests, especially as oil is now commanding very low prices—in some localities selling for 50 cents a barrel and even less. This is caused partly by want of transportation or pipe lines to take the oil to the Gulf ports for shipment. In any effort to injure the Standard Oil Company or correct alleged abuses by this great combination the independent oil producers, already having a hard time, do not want to suffer and be driven out of business by putting petroleum on the free list.

ALWAYS A DUTY ON OIL.

Petroleum was first discovered for practical purposes in 1854; the first duty levied on it and its products was in 1863, and a duty in some form has continued ever since. Under the Wilson bill a duty of 40 per cent ad valorem was placed on petroleum and its products. Among those who voted for the bill may be named Senators BAILEY, BANKHEAD, DANIEL, and Gorman; also Bynum and W. J. Bryan, the great leader of the Democratic party. The Wilson bill imposed a duty of 40 per cent ad valorem as a measure of fair protection to one of our leading industries and to prevent our market from being overrun by foreign oil. Under the Dingley bill there was a countervailing duty on oil, and in this way foreign oil was prevented from the unrestrained freedom of our markets. For the first time oil has been put on the free list in the pending bill. The independent oil producers claim this is an injustice and will work great harm to the oil industry of the United States.

Mr. NELSON. And the Mills bill.

Mr. ELKINS. Yes, and the Mills bill had a duty; but I am referring to the Wilson bill more particularly.

I have no less respect for William J. Bryan's judgment for having voted for this duty; but some of his successors now want free petroleum, and I am sorry to say there are some Republicans looking in this direction. I do not want the revision of the duty on oil to be down and out. I do not want to go so far down as to hit the free trade floor, which is not far away. The descent is always easy. The old Latin phrase, "Facilis descensus averno est," comes to my mind as very apt

in this matter of downward revision. Translated under present conditions this would be, "The descent to free trade is easy." Then I have in mind, also, the concluding part of this quotation, which says, "But to retrace one's steps, this is a work, this is a toil." Once on the free list the independent producers fear there never would be any retracing of steps or getting back to a duty.

Petroleum and its products constitute one of the leading industries of the United States. There are about 170,000 oil-producing wells in the United States, representing, directly and indirectly, an outlay of about $700,000,000, of which the independent producer owns seven-eighths. Are you going to impair this tremendous investment, seven-eighths of which belongs to the independent producer, in order to punish the Standard Oil Company? The Senator from Wisconsin [Mr. LA FOLLETTE] made an able speech yesterday. One feature of it was this very question of the evils and abuses of concentration and combination in business, but in trying to regulate the trusts through the tariff or otherwise we must not destroy the independent producer and his large interests. If the independent oil producer or the independent steel maker or the independent producer in any other business is to be hurt or destroyed in trying to correct the abuses of the great combinations, then in the end this would leave everything in the hands of the great combinations. This surely should be avoided. The great trusts and combinations can stand free trade and survive, but the independent producer can not; he must go to the wall and disappear, leaving the trusts and combinations in charge of all production and without opposition.

OIL PRODUCTION.

The production of oil in the world is 900,000 barrels per day. Of this the United States produces 600,000 barrels, divided amongst 15 States, as follows:

State.	Wells.	Barrels daily.
California	14,000	120,000
Texas	8,000	40,000
Oklahoma and Kansas	13,000	180,000
Pennsylvania	45,000	25,000
Ohio	45,000	45,000
Indiana	10,000	8,000
West Virginia	14,000	25,000
New York	4,000	1,500
Illinois	18,000	110,000
Kentucky	2,000	1,500
Wyoming	80	900
Louisiana	800	12,000
Colorado	300	1,500
Utah	50	600

During the past two years the oil production has doubled in America, and it is $16,000,000 greater in value than the output of gold and silver in the United States. We boast about the annual production of gold and silver, and we are rejoiced at it and try to increase it.

Mr. HEYBURN. It lasts longer.

Mr. ELKINS. It lasts longer, as my friend suggests. Money is never unfashionable, or at least it never has been in the history of civilization. Some people claim they do not like money, but so far as I have observed, all people want to get money, and always more. Silver was under a cloud for a time, but thanks to wise Republican policies it is now equal in value to gold.

Last year the oil producers of the United States, fighting in the neutral consuming countries of the world, exported oil of the value of $104,000,000. Since oil production began the United States has exported $4,000,000,000 worth of oil. Think of this vast amount of money coming into this country from one industry.

There are 500,000 men engaged in the production of oil in the United States, on whose labor 2,500,000 people depend, and the daily wages paid are about $1,000,000, or approximately $300,000,000 per annum. This includes the production, refining, and shipping of petroleum, as also the manufacturing of petroleum products.

The value of the oil-producing property of independent concerns and independent refineries is about eight times greater than that of the Standard Oil Company. The independent producers sell most of their oil to the Standard Oil Company, because this company has nearly all of the pipe lines to the sea and does most of the refining.

The Standard Oil Company is more largely interested in refining than in producing.

The sugar trust is more interested in refining sugar than in producing it, just as the Standard Oil Company is more interested in refining oil than in producing it. The difference in these two great trusts is, while the independent oil producers own seven-eighths of the oil production and oil property of the country, the sugar trust owns 51 per cent of the beet sugar interests. Yet refined sugar by a vote of the Senate has a duty of 61 per cent; besides there is a duty on raw sugar. The independent oil producers are entitled to more consideration in the matter of a duty on oil, or some protection, than sugar so highly protected, because they own seven times as much oil property in the United States as the Standard Oil Company owns.

In view of these facts it would seem the oil industry is far more entitled to a duty than the sugar industry.

The Standard Oil Company is more largely interested in refining oil than in producing it. It produces only 11 per cent of the crude oil of the United States and independent operators produce the other 89 per cent. Placing oil on the free list would injure the independent producer of oil, because he produces nearly all the crude oil of the United States, and foreign oil would compete with the independent producer.

The Standard Oil Company, in addition to refining oil, is engaged more particularly in the transportation of oil in its pipe lines to the sea.

Canada pays a bounty of 54 cents a barrel in order to encourage oil production. I wish every State in this Union had oil and natural gas—they are great sources of wealth.

Thus far but little oil has been discovered in Canada. In order to encourage production, Canada pays the oil producer a bounty, instead of putting oil on the free list.

Much is said about the Standard Oil Company and what it desires in the way of a duty. I do not believe anyone knows but their own people. So far as I can learn, the Standard Oil Company seems indifferent on the subject.

When a duty was put on oil in the Payne bill the Standard Oil Company seemed to be satisfied, and when oil was put on the free list it seemed equally satisfied.

I propose to vote to protect the great oil industry of the United States by levying a reasonable duty on it. I believe it is entitled to protection the same as other American products. I will not vote otherwise in response to a prejudice against the Standard Oil Company.

Ten years ago the Standard Oil Company refined 90 per cent of the oil produced; now they refine only 80 per cent, showing a substantial gain on the part of the independent refiners.

The independent oil producers are making headway in the refining business. They will be greatly discouraged if oil is put on the free list. Some of the best citizens of the United States are engaged in oil production, and oil is a competitive product and will be affected seriously by a change in the present law. It is entitled to protection the same as any other American product competing in our markets with foreign products.

Mr. DOLLIVER. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Iowa?

Mr. ELKINS. Certainly.

Mr. DOLLIVER. The Senator has had very great business experience, and he will oblige me very much if he will point out with particularity exactly how putting oil on the free list would affect the independent oil producer.

Mr. ELKINS. I will. That brings me to this point, which I was going to discuss later. To-day in Russia, I am informed, owners of oil property are preparing to bring oil here if it is put on the free list; and in Mexico some of the best oil fields are within only 300 miles of our borders, and if oil is made free there is nothing to hinder oil coming in from Mexico, while Mexico has a high duty on imported oil.

Mr. DOLLIVER. That is a very important statement, and I have not seen anything about it in the newspapers or in any other literature that has been forced upon my attention; and I should like to have the Senator's authority for the statement that they are preparing ships in Russia.

Mr. ELKINS. English capital has acquired large oil fields in Mexico and is securing more. The Standard Oil Company also has large oil interests in Mexico. Last Saturday night one of these English capitalists dined in New York at the house of a friend of mine. Speaking of Mexican oil, he said: "If we can only get oil on the free list in the United States, we will ship oil from Mexico to all the ports on the Gulf of Mexico and the Atlantic coast." He added "that Russia is preparing to bring oil into this country in tank ships in case of free oil. I know this is not a matter of public notoriety yet." This is the authority I have, and it comes to me in the way I have stated and I credit it. I am sure, if oil is put on the free list, both Mexico and Russia will send oil to this country, and both countries maintain high duties against our oil.

In the year 1908 there were 17,000 wells drilled in the United States, at a cost of about $30,000,000.

There are 100,000,000 barrels of oil now above ground in the United States ready for shipment.

What will become of this vast surplus in case there is no duty on oil?

Mr. BRISTOW. May I inquire who owns the hundred million barrels?

Mr. ELKINS. I suppose the Standard Oil Company own a good deal of it, because it has bought it for the purpose of refining it. But the independent producers own most of it. They are now storing large quantities.

Mr. BRISTOW. If the duty is put on, and they own a hundred million barrels, the Standard Oil will be very well pleased with the duty.

Mr. ELKINS. There is a countervailing duty on oil under the Dingley Act. Whether the Standard Oil Company will be benefited or injured I can not answer the Senator, and I do not think he can find out. I know the Standard Oil Company does not own all of the one hundred millions of barrels of surplus oil. The independent owners own a vast quantity, because in many localities they can not ship the oil and the Standard company will not buy the oil.

Mr. DOLLIVER. Is there a duty on as respects the importation of oil from Mexico?

Mr. ELKINS. Yes. Whatever Mexico puts on against us, that same duty obtains here under the Dingley Act, under the countervailing clause. Mexico has a duty of 4.86 cents per gallon on crude oil imported into Mexico, and about 13 cents per gallon on refined oil.

Mr. SCOTT. Will my colleague yield to me for just a moment in order that I may reply to the Senator from Kansas in regard to the amount of oil being carried to-day. You know that our independent oil producers can carry their oil as long as they want. The Standard, if it is carried in pipes, carries it thirty days without any charge. After that a very small charge is made, and the producers can carry it as long as they see proper.

Mr. SMITH of Michigan. The Senator from West Virginia said that the Mexicans had a duty of what rate?

Mr. ELKINS. I will come to that and show the rates of all countries. Four and nine-tenths cents per gallon, I think, is the duty.

Mr. SMITH of Michigan. But does the Senator know whether the countervailing duty has been imposed by the Treasury Department?

Mr. ELKINS. I know if Mexico attempted to ship any oil into this country a like duty would be imposed in this country against the Mexican importations.

Mr. SMITH of Michigan. I want to know whether, as a matter of fact, the Treasury Department has put the countervailing duty against the Mexican oil.

Mr. ELKINS. So far as I can learn no oil has come in from Mexico. If it should, then it would pay the duty our oil pays when shipped into Mexico. This excludes Mexican oil, because the importers can not afford to pay such high duties as Mexico imposes.

Mr. SMITH of Michigan. It has not come in?

Mr. ELKINS. No.

Mr. SIMMONS. As a matter of information, I should like to inquire of the Senator from West Virginia if it is the Standard Oil Company that is getting ready to ship?

Mr. ELKINS. From Russia?

Mr. SIMMONS. From Russia, and whom he fears will buy the old fields in Mexico. Is it the Standard Oil Company that is doing that?

Mr. ELKINS. The Standard Oil Company owns oil territory in Russia and Mexico, but whether it is getting ready to ship I do not know.

Mr. SIMMONS. You said somebody was getting ready, and I think it important to know who the somebody is.

Mr. ELKINS. The Russian oil producers; I take it all of them. They are getting ready, according to the statement which came to me in the way I have related in answer to the question proposed by the Senator from Iowa.

Mr. SIMMONS. Who is getting ready to develop the Mexican fields and flood this country with Mexican oil?

Mr. ELKINS. I think the Standard Oil and the British and some Californians.

Mr. SIMMONS. If the Senator will permit me to ask him a question. I understood him to say, and it is my understanding of the fact, that the independent oil producers produced about seven-eighths of the crude oil.

Mr. ELKINS. Eighty-nine per cent.

Mr. SIMMONS. The Standard Oil Company——

Mr. ELKINS. The Standard produced 11 per cent.

Mr. SIMMONS. Refined most of that. It buys and refines it.

Mr. ELKINS. Yes, the Standard company refines the oil after purchasing it.

Mr. SIMMONS. Does not the Standard Oil Company absolutely fix the price of the oil it buys, and if it can absolutely fix the price, why should the Standard be concerning itself about oil from Mexico or from Russia or from anywhere else?

Mr. ELKINS. I do not know whether the Standard is concerning itself about a duty or not. The Standard Oil Company, I believe, can fix the price of oil around the world, but I do not know yet whether it wants this duty off or on. But it would be just the same if it owned oil in Mexico and it would be more profitable to ship it into the United States; it would in that event ship it here and sell in our market, and all foreign importations of oil, whether by the Standard Oil Company, the Russians, or the English, would displace that amount of oil in the United States and therefore reduce the price and narrow the market.

Mr. SIMMONS. How could it be more profitable if the independent producers produce all the oil the Standard wants and the Standard can get it at its own price?

Mr. ELKINS. The independent producers do not sell all the oil they produce to the Standard; they refine a great deal of their own production.

Mr. SIMMONS. If the independent producers produce all that the Standard Oil wants.

Mr. ELKINS. I have never heard the Standard accused of having all it wants, whether of oil or money or anything else.

Mr. SIMMONS. I think the Senator is right about that.

Mr. CURTIS. I should like to add to what the Senator from West Virginia has said, that in the State of Kansas we have 18 independent oil refineries and they buy oil from the independent producers, and to-day in our State the independent refineries furnish 45 per cent of the oil used.

Mr. SCOTT. In a refined state?

Mr. CURTIS. In a refined state. I should like to say a word further. The Senator said a minute ago that the Standard was buying up most of the oil in Oklahoma.

Mr. ELKINS. No, I did not say Oklahoma. I said in West Virginia.

Mr. CURTIS. From what the Oklahoma independent oil producers say and what the officers of the Government report, there are thousands of barrels stored in great earthen embankments because the operator of the three pipe lines will not buy the oil, and the independent producers must continue to produce it because the rules and regulations of the Interior Department required them to continue the operation of the wells on the lands leased from the Indian allottees, who are under the jurisdiction of the Interior Department, and the oil so stored is going to waste.

Mr. SIMMONS. Will the Senator from Kansas permit me?

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from North Carolina?

Mr. CURTIS. Certainly.

Mr. SIMMONS. I understand the Senator from Kansas to say we are producing more oil in this country than we have any use for.

Mr. CURTIS. They are producing more than they have a market for; that is, more than the pipe lines in Oklahoma can take care of. There are three pipe lines, and those pipe lines are employed to their fullest capacity all the time, and they do not take care of the oil that is produced there. Those people believe that if there were more pipe lines there would be a market for the oil they produce, provided the oil from Mexico is not admitted and the price reduced. If the price of oil in Oklahoma is reduced 5 cents a barrel many of the wells in Oklahoma will be plugged.

Mr. SMITH of Michigan. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Michigan?

Mr. ELKINS. I do.

Mr. SMITH of Michigan. I was very much interested in the statement of the Senator from West Virginia that the Russian oil people were contemplating an invasion of this market. I had always been led to suppose that the activities of Russia in the oil field were confined largely to continental Europe, and the statement which the Senator makes seems to me a very threatening statement. As I understand, there are very large quantities of oil in Russia, and Russia has hitherto furnished about all the oil that Germany has required. Am I right about that?

Mr. ELKINS. Yes, partly; and the United States partly; nearly all. Germany is finding oil, but not all she needs. She imports from other countries, especially from Russia, as I am informed.

Mr. SMITH of Michigan. Germany is finding oil?

Mr. ELKINS. Yes; I will come to that.

Mr. SMITH of Michigan. And Russia is now seeking a larger market, including our own. Is that correct?

Mr. ELKINS. Yes. The other countries that are competing have put on a tariff against Russian oil, and she is now trying to find some country which has bad judgment enough to take the duty off oil, so they can ship their oil to that country, and if this bill is not changed and a duty put on oil, Russian oil will surely enter our markets.

Mr. BEVERIDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Indiana?

Mr. ELKINS. Yes.

Mr. BEVERIDGE. The Senator from Michigan was impressed, as the Senator from Iowa was, by this new and formidable apparition of Russian ships. The Senator from Iowa called for the source of the information, and it was as follows, so that the Senator from Michigan, being a lawyer, can judge of its weight: An Englishman being a free trader and, of course, a friend of Russia, as they all are, who had some oil properties in Mexico, at dinner the other night in New York, told another free-trade friend of this threatening danger on the horizon that so affects the Senator from West Virginia; and then this free-trade friend, of course, told his free-trade friend, the Senator from West Virginia, all about this conspiracy.

Mr. ELKINS. I can not say it is a conspiracy; whatever it is, it means invading the American market with foreign oil if we make oil free.

Mr. BEVERIDGE. That is the size of that.

Mr. ELKINS. The Senator from Iowa asked me, and I was frank enough to tell him. It is not in the public press. It is not official. I do not think it is generally known.

Mr. GALLINGER. It will be to-morrow.

Mr. ELKINS. To-morrow it will be known, I hope.

Mr. BEVERIDGE. It is a desperate apparition conjured up over dinner between two free traders.

Mr. ELKINS. It is not an apparition. I believe Russia will have sense enough to send her oil here if we have little sense enough to take off the duty. It is just what anyone would do. If the able Senator from Indiana possessed oil wells in Russia, and the duty was taken off, he would look around for a ship to-morrow to transport his oil to this country.

With these facts, general facts, and statements collected from authentic sources, except the facts gathered at a free-trade dinner, which does not go so well with my friend, the Senator from Indiana——

Mr. BEVERIDGE. I used the Senator's words about that.

Mr. ELKINS. I do not think any good reason can be shown for not protecting this industry the same as any other leading industry of the United States against foreign competition.

In localities where oil is produced whole towns and communities depend upon the oil business, the same as entire communities and towns in other States depend upon mining and manufacturing, and changing the duty or removing it entirely would work incalculable damage and loss, not only to oil operators and owners, but to whole towns and communities. We began with a duty on oil, and to change it now and make it free would bring ruin and disaster to many independent producers.

There are towns and communities in Pennsylvania and West Virginia—I do not know whether there are any in the Senator's State—which are largely dependent upon the oil production, just as there are towns in New England which have been built up around factories for a hundred years, and if you impair or destroy the oil business and permit other countries to take our markets and furnish the oil we now produce great ruin and disaster would follow. How would the people live who are now dependent upon the oil business? They would have to seek other localities where they could find new homes and employment.

I want to speak of West Virginia.

Mr. CUMMINS. Mr. President——

The PRESIDING OFFICER. Does the Senator from West Virginia yield to the Senator from Iowa?

Mr. ELKINS. I do.

Mr. CUMMINS. I wish the Senator from West Virginia would state again the volume of exports of oil.

Mr. ELKINS. One hundred and four millions last year, I think I put it.

Mr. CUMMINS. Is it not true, then, that we have at the present time practically free oil—the free importation of oil?

Mr. ELKINS. I do not think the countervailing duty works to that end. I shall discuss that a little later.

Mr. CUMMINS. It is true, is it not, that upon all the oil exported the duty paid, whatever it may be, is repaid or reimbursed by the exporting company; and if we import oil from Mexico and pay a duty upon it, or from Russia and pay a duty upon it, the volume of our exports is sufficient to enable the company exporting to retake all the duty paid upon the oil, and therefore, as it seems to me, we have now free oil. The proposition of the Senator from West Virginia is to take oil from the free list under the Dingley law and put a duty upon it. That is the substantial proposition, is it not, made by the Senator from West Virginia?

Mr. ELKINS. Let me answer the Senator, if I can. I stated refined oil. That is what we export; not crude oil. I do not know of any crude oil coming into the United States. It is prevented by the countervailing duty. I stated that. The Senator is mistaken. Oil is not on the free list under the Dingley law. The countervailing duty is equal to the same duty any exporting country puts on imported oil. In most countries the duty on oil is very high, and this would make their exports to our country high and, I am glad to say, unprofitable.

Mr. CUMMINS. I am sure the Senator from West Virginia is substantially right.

Mr. NELSON. The statistics of imports from 1894 to 1907 show that there were imported of crude petroleum free in 1907 345,721 gallons and of refined petroleum 1,544 gallons.

Mr. CUMMINS. A very insignificant amount.

Mr. NELSON. And under the countervailing clause petroleum is now free, except for the countervailing duty as against countries imposing a duty on us. Under the countervailing clause there were 11,336 gallons of crude oil imported.

Mr. CUMMINS. Yes.

Mr. ELKINS. I stated none, because that is an insignificant amount, hardly anything at all.

Mr. CUMMINS. It therefore is true, is it not, that under the Dingley law, with the application of the rebating clause, we have substantially free oil, and the proposition of the Senator is to change it from free oil to dutiable oil?

Mr. ELKINS. I should like to hurry through, but I will answer that. If you will maintain the countervailing duty in the Dingley Act I will not ask for any duty, because that will work a high duty, as nearly all oil-producing countries have a high duty against our oil.

Mr. CUMMINS. I desire to ask another question. We export oil to Mexico at the present time.

Mr. ELKINS. Yes.

Mr. CUMMINS. We practically supply that Republic with her oil.

Mr. ELKINS. No, not all; Mexico now produces about 20,000 barrels of oil a day and very soon will produce more; besides she has oil refineries.

Mr. CUMMINS. What reason has the Senator from West Virginia to believe that the conditions will be changed and that oil will presently be imported into the United States from Mexico, even though the countervailing duty be removed?

Mr. ELKINS. From the best information I have the oil fields of Mexico are very promising, cover a very large extent of territory—probably the whole Gulf coast down to Veracruz, nearly 800 miles in distance—the oil is of good quality. I think just as soon as more oil wells are bored in Mexico there will be large importations into the United States, if there is no duty.

Mr. SCOTT. Will my colleague yield to me for a moment?

Mr. ELKINS. Yes; and then I should like not to be interrupted further. I should like to answer the Senator, because I think it is getting at the facts.

Mr. SCOTT. This is good doctrine, I suppose. It is Collier's Weekly. It says:

> A wonderful pool of oil of unexpected richness has been discovered within a few hundred miles of the boundary of the United States.

And it goes on, referring to this point, just across the Rio Grande from the United States.

Mr. CUMMINS. I have read that report. The truth is that that particular oil could not be brought into the United States at all. It is purely fuel oil, and could be used only as a substitute for coal on railroads. It can not be refined into illuminating oil, and I think an examination of the report of the scientist who has visited Mexico will show that the oil field of Mexico, so far as now known, is very limited in extent, probably very meager, and will be in its output. So the fears that some people seem to have that Mexico will import any considerable oil into the United States, under any circumstances whatever, are not well founded.

Mr. SCOTT. Will my colleague yield to me for a moment?

Mr. ELKINS. Yes; and then I must close.

Mr. SCOTT. Just a moment. The Senator from Iowa, of course, is well posted on these matters, and perhaps he will answer me as he did once before in debate, that it is not necessary for me to advise him in this matter. But, if I am correctly informed, all the railroads of the southern part of the country are supplied with oil produced in California. It furnishes the motive power for all those great railroads. Now, as I understand, and I think I have been credibly informed, the oil in Mexico is equally as good if not better for fuel purposes for railroads than the oil found in southern California. He certainly does not want to cripple the industry in southern California. I beg pardon of my colleague.

Mr. ELKINS. The Senate is growing weary, and I feel that I am taxing its patience too much; more than I should.

PETROLEUM IN WEST VIRGINIA.

I wish to speak about West Virginia as an oil-producing State and the importance of the oil industry.

West Virginia has 14,000 wells producing petroleum. Farmers get a royalty of $2,500,000, and the rents from land for oil purposes are $1,500,000, making $4,000,000 a year.

In West Virginia the farmers are in partnership in a sense with the oil producer, and it is a great source of revenue to the farmers. The farmer gets one-eighth of all oil produced on lands leased for oil. Every time the sun goes down in my State $50,000 is paid for oil that day. Do you think we are going to give up this industry or allow it to be impaired or hurt by making oil free when duties are imposed on nearly all other American products competing with foreign products? The distinguished Senator from Massachusetts [Mr. LODGE] found the other day that of the products of his State smelts and eels had escaped a duty, so one was instantly imposed on these products. Pumice stone has shared the same fate, but up to this moment the great petroleum industry is on the free list.

Petroleum is one of the great industries of West Virginia, ranking next to coal in value and importance. There are more than 250 independent oil producers in the State, and this body, representing this great industry through the Oil Association, has earnestly protested against taking off the countervailing duty on crude petroleum and its products, as provided in the Payne bill, and insist, if taken off, there should be a duty of 40 per cent ad valorem on petroleum and its products or a specific duty of 1 cent on a gallon on crude oil.

The oil producers have nearly one hundred millions of dollars invested in the oil business in 35 of the 55 counties of the State; the petroleum interest pays in taxes nearly half a million dollars annually into the state treasury.

The State would feel it a great hardship to do without this tax.

It would be unjust now to do anything in the way of changing or shifting the duties in a way that would impair this industry and bring loss to the independent operators.

The Standard Oil Company owns the pipe lines to the sea, I admit. The independent producers of West Virginia and Pennsylvania have one pipe line, and only one. The Standard buys nearly all the oil and pays cash for it, and there is no clash between the farmers of West Virginia and the independent oil producers and the Standard Oil Company.

Mr. President, I have a very strong memorial, addressed to the Senate, signed by the Oil Association of the independent producers of West Virginia and other States. I will not detain the Senate by reading it. It is a very earnest petition not to take off the countervailing duty without substituting an ad valorem or specific duty in its stead.

The PRESIDING OFFICER. Without objection, the petition will be published in the RECORD.

The petition is as follows:

MEMORIAL TO UNITED STATES SENATE ON BEHALF OF THE INDEPENDENT OIL PRODUCERS OF WEST VIRGINIA.

The independent oil producers of West Virginia most earnestly protest taking a countervailing duty off of crude petroleum and placing it on the free list for the following reasons:

First. Because they have $100,000,000 invested in the oil business in 30 of the 55 counties of the State, and pay annually nearly one-half a million dollars into the state treasury, and are therefore entitled to protection, which none but the National Congress can give, to one of the chief industries of the State.

Second. Because in the history of oildom, pioneer development has always been done by the independent producers, as is most likely to be in future cases, and its continuance depends upon the price of crude oil being kept sufficiently high to encourage prospecting in partly developed fields, and in what is known in oil parlance as "wild-cat territory."

Third. Because much of the money necessary and being used in prospecting for oil is borrowed from the banks of the State and a slump in the oil market would cause a run on the banks.

Fourth. Because there are at least 500,000 people in the United States engaged in and dependent upon the oil business, of which there are forty to fifty thousand in West Virginia dependent upon the oil and gas business for their occupation and support.

Fifth. Because in old developed oil fields where the wells have dropped in production to one or two barrels per well per day the owners could not stand a reduction in the price of oil below what it is now and continue their operation.

Sixth. Because if crude petroleum were placed on the free list and the products of Mexico and Canada (lower in grade and produced at less cost) were allowed to come in free of duty in competition with our own products in the South and West it would not only get our market in oils of the same grade, but would affect our higher-grade oils in West Virginia, Ohio, and Pennsylvania, and the United States being not only the greatest consumer, but the greatest producer as well, would not only eliminate as an exporter in the markets abroad in the eight producing and the twelve nonproducing countries which levy import duties on petroleum (if the countervailing duty was removed and no specific tariff were imposed), but the inducements to protection would be absolutely strangled at home.

It is most earnestly urged that instead of placing crude petroleum on the free list or retaining the countervailing duty under the Dingley Act, that at least a 40 per cent ad valorem be fixed, but in the event an ad valorem duty of a sufficient amount to protect the industry can not be agreed upon the countervailing duty as it now stands is asked to be retained.

Hence, from the foregoing statements, supported by the following authentications and facts and figures, it will be seen that the oil industry is of sufficient importance to merit the most serious and favorable consideration possible, and that its very life, on account of the vast sums expended and the risks run, and the timidity of capital in risking enterprises, depends absolutely upon whether this giant industry is to be left as a piece of flotsam floating upon an uncertain sea of industrial caprice, or is to be given that protection it deserves along with other legitimate American industries of similar magnitude and importance.

FACTS AS TO WEST VIRGINIA.

Aggregate valuation of oil and gas companies, 1908	$76,400,000
Taxes paid on the above amount in 1908	495,000
Amount oil production, 1908, was 9,300,000 barrels, value	16,275,000
Value of oil leasehold estates in West Virginia in 1908 aggregates	25,480,000
Oil royalties paid to farmers and landowners	2,340,000
Amount paid out by oil companies alone for lease rentals	1,550,000
Amount paid out to pumpers and employees at producing wells in the operation of producing oil wells, over	2,600,000
Amount paid out annually in West Virginia for labor and supply men, teamsters, etc., in drilling new wells	4,670,000
Over 6,000 men regularly employed in West Virginia by oil companies, at average salary of $70 per month, making a monthly pay roll of (and this does not include teamsters employed or laborers hired by contractors who drill wells by contract)	420,000

Of the aggregate value of oil production in West Virginia $11,000,000 of the $16,000,000 remains here and goes to the landowners and laborers of the State.

From forty to fifty thousand people in West Virginia are directly supported by the oil and gas industries, not counting the indirect benefits going to merchants, hotel keepers, professional men, and business people generally.

Mr. ELKINS. Many people believe that the Standard Oil Company owns or controls all the oil production in the United States and the independent oil producers are of little importance.

I have two letters here that I will ask to have placed in the RECORD, one from Mr. Charles B. Morrison, who helped Mr. Frank B. Kellogg, and one from Mr. Kellogg himself, who represented the Government in the suit against the Standard Oil Company to dissolve the corporation. Both of them testify that there is a great body of independent oil producers in the United States. It was claimed that the Standard Oil Company owned all these independent wells and property. I will not detain the Senate to read these letters, but ask that they be printed in the RECORD.

The PRESIDING OFFICER. The Chair hears no objection to the request of the Senator from West Virginia.

The letters referred to are as follows:

DAVIS, KELLOGG & SEVERANCE, ATTORNEYS AT LAW,
MERCHANTS' NATIONAL BANK BUILDING,

FRANK B. KELLOGG.
CORDENIO A. SEVERANCE.
ROBERT E. OLDS.

ST. PAUL, MINN., *May 26, 1909.*

C. D. CHAMBERLAIN,
New Willard Hotel, Washington, D. C.

MY DEAR SIR: The refiners which you have represented in the past, members of the National Petroleum Refiners' Association, are, I have no doubt, independent of the Standard Oil Company. In the very thorough investigation we made and in all the testimony taken before the special examiner in the Standard Oil case these refiners were treated as independent, and I believe them to be so.

Very truly, yours,

FRANK B. KELLOGG.

MORRISON, BROWN & GOULD LAW OFFICES,
900 FIRST NATIONAL BANK BUILDING,

CHARLES B. MORRISON.
C. LE ROY BROWN.
CHARLES J. GOULD.
JOHN S. LORD.
PAUL W. WEMPLE.

CHICAGO, *May 25, 1909.*

Mr. C. D. CHAMBERLAIN,
New Willard Hotel, Washington, D. C.

DEAR MR. CHAMBERLAIN: Yours of the 20th inst. just reached me, and in reply I have to say that if the question as to whether the petroleum interests which you represent are independent of the Standard arises at any time, you are at liberty to call upon me, and I think I can satisfy any person that those interests are independent. From the time we commenced the suit in behalf of the Government against

the Standard Oil Company and its affiliated companies you and those connected with your office were of great help to us, not only in posting us as to the facts but in assisting us in gathering the testimony and in presenting it to establish the facts, and if there is any one thing that I learned thoroughly during the progress of that lawsuit it was that you and the companies engaged in the petroleum business with which you were connected were wholly and completely independent of the Standard interests. And you were not afraid to have your hostility to those interests known to everybody, because what you did in assisting the Government in its prosecution was done openly and fearlessly, and was greatly appreciated by the attorneys representing the Government. * * *

It seems strange to me, knowing the facts as I do, that anyone at all posted should ever raise the question as to the independence of the companies which you represent. However, I can readily understand that one not going through it as we did might not be so thoroughly posted upon the situation as I am.

I wish you success in your efforts to uphold and advance the independent oil interests of the country.

Very truly, yours, C. B. MORRISON.

Mr. ELKINS. No business requires so great an expenditure with so great a risk as the oil business. The cost of drilling an oil well 3,000 feet deep is $10,472, a little over $3 per foot, and wells at a less depth would be at the same ratio.

The above expenditure must be made before any returns, and "on the chance of striking oil;" yet look at the distribution of money in many directions, supporting the different industries and persons connected with and dependent upon the oil business.

In a condensed form I want to submit some figures which will certainly warrant my colleague and myself, as well as Senators from other States, in standing here and defending this great interest. So far as it affects West Virginia the figures are as follows:

Aggregate assessed valuation of oil and gas companies, 1908, $76,400,000.

Taxes paid on the above amount in 1908 into the state treasury, $495,000.

Amount of oil production, 1908, was 9,300,000 barrels, valued at $16,275,000, or $50,000 a day.

Value of oil leasehold estates in West Virginia, 1908, amounts to $25,480,000.

Oil royalties paid to farmers and landowners, $2,340,000.

Amount paid out by oil companies alone for lease rentals, $1,550,000.

Amount paid out to pumpers and employees at producing wells, in the operation of producing oil wells, over $2,600,000.

Amount paid out annually in West Virginia for labor and supply men, teamsters, etc., in drilling new wells, $4,670,000.

Over 6,000 men regularly employed in West Virginia by oil companies, at average salary of $70 per month, making a monthly pay roll of $420,000.

This is a great showing for one industry in a State. Surely it will not be denied advantages granted other American products.

OTHER OIL-PRODUCING COUNTRIES MAINTAIN A HIGH DUTY ON PETROLEUM.

All oil-producing countries of the world have high tariffs against importation of oil. Why should the United States open its home market to oil from other countries maintaining the highest duties against our oil?

I submit some figures showing the duties imposed by foreign countries on crude oil and refined petroleum:

Import duties levied on petroleum by countries producing petroleum.

[Reduced to American currency and American gallons.]

Country.	Crude oil (per gallon).	Refined oil (per gallon).
	Cents.	*Cents.*
Austria (Galicia)	4.967	14.36
Roumania	1.14	2.84
Burma (India)	1.66	1.66
Russia	2.816	16.895
Mexico	4.86	13.27
Canada	Free.	2.083
Java (Dutch Indies)	(a)	.37
Japan	(b)	4.785

[a] 5.19 per cent ad valorem.
[b] 20 per cent ad valorem plus 20 per cent for sundries.

The oil of Mexico, in case of free oil, will be the greatest menace to the oil industry in the United States. If we have free oil, nothing can hinder Mexico sending oil to all of our ports on the Gulf of Mexico and the Atlantic coast. Water rates on petroleum in tank steamers are low. This would have the effect of reducing prices, displacing American oil, throwing thousands of people out of employment, and reducing the value of oil property. Some of the oil fields of Mexico are only about 300 miles from our border. Mexico is now producing about 25,000 barrels a day and will, it is estimated, in two years produce 200,000 barrels per day. Labor is very cheap in Mexico, from 20 to 40 cents per day. Most of the oil exported is shipped from Tampico, a seaport—30 or 40 miles by pipe line from the oil fields—and there, by delivering it into tank steamers, it can come to the United States at a very low freight rate.

The Standard Oil Company owns a number of refineries in Mexico, also great oil properties. It is believed the Standard Oil Company would take advantage of oil being on the free list and import it into the United States. Imported oil would displace that much American oil, no matter whether the Standard Company or others import it.

Foreign countries producing petroleum, with an aggregate population of at least 200,000,000, have shut out the American product by prohibitive duties.

To the countries closing their doors to American petroleum the bill as reported to the Senate offers the unrestrained freedom of our markets.

Placing petroleum and its products on the free list would benefit Russia, Mexico, Canada, and the Dutch Indies, and be a great stimulant to the development of every foreign petroleum industry. The damage that would follow would be felt by the independent oil producer all over the country, because prices, already too low in some localities, as Kansas, Oklahoma, and Texas, would still further decline. The Standard Oil Company could stand this better than the independent producer.

The plethora of 100,000,000 barrels of crude oil in the United States ready for shipment should be a strong incentive to sustain its supremacy in the world's markets, rather than to destroy its value by offering the American markets unreservedly to foreign competitors.

FOREIGN COMPETITORS OF AMERICAN PETROLEUM.

As to the extent of the foreign production of petroleum the following is submitted:

Country.	Annual crude production.
	Barrels.
Russia	62,050,000
Austro-Hungary (Galicia)	12,775,000
Roumania	8,395,000
Dutch Indies	10,950,000
Burma	5,475,000
Mexico	9,125,000

These countries have a large surplus available for export, and against this surplus the American product is competing in the neutral competing markets of the world.

The production of Germany and Japan, while already large and increasing, is still inadequate for their home requirements.

The producing and refining industry of Canada would be promptly stimulated by a new free market across her frontier.

Italy, Egypt, Algiers, Assam, Peru, South Africa, Australia, and New Zealand produce oil, and capital is being found to aid in its development.

Russia, Austria, and Mexico, with an aggregate population of about 200,000,000 people, are the great competitors of the United States in the production of petroleum. The combined annual production of petroleum in these countries last year was 84,000,000 barrels. Their per capita consumption was twenty-eight seventy-fifths of a barrel. Under the Dingley law these countries could have had free trade at any time with the United States on petroleum and its products, yet they refused it. The production of crude petroleum in the United States last year, with a population of 85,000,000, was 182,000,000 barrels of oil. The per capita production in the United States was two and twelve eighty-fifths barrels.

The United States is both the largest oil-producing and the largest oil-consuming country in the world, and not only has it the largest surplus available for export, but such surplus has to-day need of enlarged markets.

With these facts before the Senate, I can not believe it possible that it will put oil on the free list, to the great injury of the independent producers of the United States.

Removing the countervailing duty without substituting a specific duty would be giving up the unconditional freedom of the greatest consuming market of the world without any return.

EFFECTS OF DISCRIMINATING IN FAVOR OF SECTIONS.

The effect of favoring some States and sections in making the tariff and discriminating against others would not only be unjust but disastrous. West Virginia, both in the House and Senate, votes willingly for a duty on wheat, corn, meat, hides, barley, eggs, potatoes, and other agricultural products to protect farmers all over the country against like products coming from Canada and Europe; also for a duty on all manufactured goods or products of New England, Pennsylvania, and other States to protect these products against foreign competition even if she does not manufacture any of them. She does so on the

broad, general principle of protection. I would not consider it fair to put on the free list products of other States which my State did not produce.

Pennsylvania has $300,000,000 capital invested in manufactures—more than the 14 southern States combined—all protected with high duties.

Massachusetts, in area, 8,000 square miles, with a population of 3,000,000, without coal, iron, lumber, wool, or cotton, all of which is hauled within her borders, turns out manufactured products equal to 60 per cent of the entire South, which has 26,000,000 people and is rich in natural resources.

In 1905 West Virginia had 2,109 establishments; the capital invested was $86,820,823. The annual value of products was $99,040,070. New England had 22,279 establishments, the capital of which was $1,870,995,405. The annual value of products was $2,025,998,437. Pennsylvania had 23,495 establishments; the capital was $1,995,836,988, and the annual value of products $1,955,551,332. New Jersey had 7,010 establishments, the capital of which was $715,060,174, and the annual value of products $774,369,025. New York had 37,194 establishments, the capital of which was $2,031,459,515, and the annual value of products $2,488,345,579.

I mention the vast number of these manufacturing establishments, their capital, and the value of their products with infinite pride and pleasure. I rejoice we have so many in our country and wish we had more. I am glad that the products of these establishments are highly protected, and as a result are prosperous and their owners doing a good business.

If it should be proposed to put on the free list a portion of these products whose annual value is $1,500,000,000, after they had enjoyed protection for so long a time, I am sure no Senator, though he be the rankest free trader in this body, could be found to vote for such a proposition, because if such a thing were possible it would be followed by ruin and disaster. This leads me to ask why are not the reasons equally strong in every particular for not putting coal, oil, and lumber on the free list, the annual value of their products being $1,500,000,000, employing more people, with more capital invested, and whose operations extend over a continent?

PROTECTION SHOULD BE MAINTAINED ON COMPETING PRODUCTS.

Protection has been the foundation upon which the great manufacturing industries of New England, Pennsylvania, New York, and New Jersey, and other States have been built, and these industries are the growth of nearly a century. To ask that one-half of their products be put on the free list and low duties on the rest would bring ruin to these great States; even society itself, with the impairment of these industries, would becomes disorganized. Yet this is just what the Payne bill requires as to the leading and longest-established industries of West Virginia and the South.

Heretofore the South has opposed protection, even on her own products, and, in my judgment, to the great detriment of her people and business. It is said the South has made politics her business, while the North has made business and prosperity her politics. Look at the difference in the progress and prosperity of the two sections. Look at the triumphs and astonishing results in New England, with mostly brains and granite as natural resources, not producing enough meat and breadstuffs to support her people, with no coal, iron ore, timber, oil, cotton, yet she leads in manufacturing in many important industries, and her people are contented, successful, and prosperous. If New England had the natural resources of the South and her vast area she would lead all nations in manufacturing and general business, and go on not only shaping the destinies of this mighty Republic, but influencing and molding the thoughts and economic policies of the world.

Protection has kept the Republican party in power for nearly fifty years, and will continue to do so as long as the Democratic party opposes this cardinal principle, long ago adopted and confirmed time and time again by the American people.

The South can stand free trade better than any portion of the Union, but she can not go forward and make progress in the industrial race of the nation and enjoy that prosperity that belongs to her, by reason of her great advantages and natural resources, if the products of other sections of the Union have high duties and protection and low duties or none at all on her products. This makes the race uneven. For fifty years the South has been denied advantages other sections have enjoyed.

In looking at the schedules in the pending bill no important American farm or manufactured product in New England, New York, Pennsylvania, New Jersey, the Northwest, and Pacific States, competing with foreign products, is on the free list; not one. Then, why should the leading industries of certain other sections and States, such as coal, lumber, oil, and other products, be put on the free list or have a low duty? This is discrimination which should not obtain in making a tariff bill for the whole country. The people of the South are the consumers of the farm and manufactured products of other States and pay their part of the duties that protect them, and in turn, according to all the rules of fairness and justice, the products of West Virginia and the South should be protected.

No competing American products should be put on the free list unless everything into the making of which they enter should either have a low duty or be likewise placed on the free list.

As I have said before in this debate, I believe there should be levied on all foreign products competing with American products in our home markets some duty high or low, according to conditions, so that American products competing with foreign products should have some measure of protection and some share in the distribution of duties. If this principle should be adhered to, there would be less difficulty in framing the present bill, and when it becomes a law it would give more general satisfaction than if we maintain high duties on some products and no duties at all on others.

A true protectionist can not be selfish and partial; he can not ask for a duty or protection on the products of his State or section and deny it to other States and sections. With him protection should be an economic principle; not local, but national.

The protectionist votes to maintain protection to American industries and American wages, always having the good of the whole country and the good of the people in mind.

A tariff never could be made if the States voted for duties only on their own products and against placing a duty on the products of other States, which they do not produce. If there is to be a revision or change in the tariff downward or upward, or however made, I protest why make it downward on coal, oil, lumber, iron ore, and other southern products and not on highly protected products? Why reduce the duty on lumber 50 per cent and increase or retain a high duty on wheat, barley, cotton, woolen goods, cutlery, shoes, sugar, and many other articles?

The tariff should be general in principle and application, not favoring certain products, States, and sections, while discriminating against others.

The Republican party, strongly intrenched as it is in public confidence, can not continue to hold power if it fails to adhere to protection on broad lines, and, in making the tariff, discriminates in favor of the products of certain States and sections. No section of this country could be prosperous if part of its manufactured and other products were on the free list or had only a low duty.

Duties should not be mountain high on some products and no duties on others.

The present tariff bill, to last and give satisfaction, must be made right. Duties must be fairly and justly levied and distributed on foreign products, with no favoritism to States or sections.

LUMBER, COAL, AND OIL SHOULD HAVE A FAIR DUTY.

More than 1,000,000 men are employed in the lumber, coal, and oil industries of the United States. The daily wages paid for labor in these three industries is about $2,500,000, or $750,000,000 annually. The amount of money paid out each year for the transportation of these products to market is about $2,000,000,000. These figures are staggering, but they show the importance and greatness of these industries. The money invested in these industries is just as sacred and the same as the money invested in other industries; they give employment and homes to hundred of thousands of wage-earners.

Carrying on these industries helps the general business of the whole people and country. Then why discriminate against them by putting them on the free list or imposing on them a low duty? Any injury to them, any hindrance to their progress and success, any impairment in any way would be a great loss, not only to these industries, but to the whole country. It would cause a diminishing volume of business throughout the entire country; there would be reduction of wages, and thousands of people would be thrown out of employment.

The value of the annual output of coal, lumber, and oil in the United States is equal to the value of the farm products of 15 agricultural States, or equal to the value of the manufactured products of many States in the East, all of whose products are highly protected.

It has been argued in this debate, I believe, for the first time in the Senate, that because a product is exhausted by use it should not be protected.

This is a worse heresy than out-and-out free trade, and I hope it will find no place in our tariff system. Whether an industry

is short lived or long lived, it should make no difference in the protection which it should receive while it does live.

The theory has also been advanced that coal, oil, lumber, iron ore, and other products exhausted or destroyed by use should be put on the free list as a means to their conservation. This theory, while new and strange, is open to the objection that the burden of conservation falls on the individual, and not on the State. Conservation is in the public interest, and therefore the individual owner should not be made to suffer to promote the general good.

If we are going to open the markets of the United States for coal, oil, and lumber to Canada, Mexico, and the countries of Europe, why not open them to farm products, and let Canada supply them on the north, and Mexico supply lumber, cattle, oil, zinc, and lead on the south, on the theory that it is best to prolong the life of these industries by letting foreigners share our markets or drive our people out of them that these products may be conserved?

EXECUTIVE SESSION.

Mr. ALDRICH. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business. After five minutes spent in executive session the doors were reopened, and (at 5 o'clock and 20 minutes p. m.) the Senate adjourned until to-morrow, Thursday, June 3, 1909, at 10 o'clock and 30 minutes a. m.

NOMINATIONS.

Executive nominations received by the Senate June 2, 1909.

SURVEYOR OF CUSTOMS.

Louis P. Bryant, of Louisiana, to be surveyor of customs in the district of New Orleans, in the State of Louisiana, in place of Fenton W. Gibson, deceased.

PROMOTIONS IN THE NAVY.

The following-named ensigns to be lieutenants (junior grade) in the navy from the 2d day of February, 1909, upon the completion of three years' service in present grade:

Cleon W. Mauldin,
Chester L. Hand,
Aubrey K. Shoup, and
John J. McCracken.

The following-named lieutenants (junior grade) to be lieutenants in the navy from the 2d day of February, 1909, to fill vacancies existing in that grade on that date:

Cleon W. Mauldin,
Chester L. Hand,
Aubrey K. Shoup, and
John J. McCracken.

Passed Asst. Surg. Richard B. Williams to be a surgeon in the navy from the 11th day of December, 1908, vice Surg. George Rothganger, retired.

First Lieut. Albert N. Brunzell to be a captain in the United States Marine Corps from the 10th day of July, 1908, vice Capt. James W. Broatch, deceased.

Second Lieut. Paul A. Capron to be a first lieutenant in the United States Marine Corps from the 14th day of December, 1908, vice First Lieut. Louis G. Miller, deceased.

The following-named machinists to be chief machinists in the navy from the 3d day of March, 1909, after the completion of six years' service in present grade, in accordance with the provisions of an act of Congress approved March 3, 1909:

Charles H. Hosung,
Adam Gibson,
Charles G. Nelson,
Fred J. Korte,
Clarence M. Wingate,
Jannis V. Jacobsen,
George W. Johnson, and
Francis J. McAllister.

Carpenter Charles E. Richardson to be a chief carpenter in the navy from the 5th day of May, 1909, upon the completion six years' service, in accordance with the provisions of an act of Congress approved March 3, 1899, as amended.

POSTMASTERS.

CALIFORNIA.

Frank D. Burrows to be postmaster at San Anselmo, Cal. Office became presidential July 1, 1908.

Charles B. Fischer to be postmaster at Burbank, Cal. Office became presidential January 1, 1909.

William H. Macy to be postmaster at San Dimas, Cal. Office became presidential January 1, 1909.

COLORADO.

Charles W. White to be postmaster at Julesburg, Colo., in place of William H. Wallace, deceased.

INDIANA.

William Helminger to be postmaster at Bremen, Ind., in place of James M. Ranstead. Incumbent's commission expired January 9, 1909.

Edwin L. Lautzenhiser to be postmaster at North Manchester, Ind., in place of Jonas Grossnickle. Incumbent's commission expired December 12, 1908.

ILLINOIS.

Jennie M. de Roo to be postmaster at Fort Sheridan, Ill., in place of Jennie M. de Roo. Incumbent's commission expired January 9, 1909.

M. M. Hitchcock to be postmaster at Berwyn, Ill., in place of Harry J. Faithorn, resigned.

James P. Jack to be postmaster at Newton, Ill., in place of James P. Jack. Incumbent's commission expired December 20, 1906.

William W. Lowry to be postmaster at Auburn, Ill., in place of William W. Lowry. Incumbent's commission expired December 12, 1908.

IOWA.

Henry E. Westrope to be postmaster at Corning, Iowa, in place of Charles W. Gray, resigned.

LOUISIANA.

Arthur F. Clement to be postmaster at Mansfield, La., in place of Isabel C. Taylor. Incumbent's commission expired February 10, 1909.

Tolbert J. Wakefield to be postmaster at Lake Charles, La., in place of James S. Thomson. Incumbent's commission expired March 1, 1909.

MAINE.

Fred W. Preble to be postmaster at Bingham, Me., in place of Mary E. Clark, resigned.

MASSACHUSETTS.

Ralph W. Emerson to be postmaster at Chelmsford, Mass., in place of Ralph W. Emerson. Incumbent's commission expired November 17, 1907.

NEBRASKA.

William H. Rood to be postmaster at North Loup, Nebr. Office became presidential January 1, 1909.

NEW YORK.

Ivans Lewis Hubbard to be postmaster at Bay Shore, N. Y., in place of Eugene P. Strong, removed.

Agnes M. Nolan to be postmaster at Chateaugay, N. Y., in place of Edward L. Nolan, deceased.

NORTH CAROLINA.

Thomas H. Ramsbottom to be postmaster at Chadbourn, N. C. Office became presidential January 1, 1909.

OHIO.

Frank G. Hoskinson to be postmaster at Montpelier, Ohio, in place of James C. Holloway. Incumbent's commission expired March 3, 1907.

Sylvanus P. Louys to be postmaster at Stryker, Ohio. Office became presidential January 1, 1909.

James T. McCready to be postmaster at Butler, Ohio. Office became presidential January 1, 1909.

De Witt C. Pemberton to be postmaster at New Vienna, Ohio, in place of De Witt C. Pemberton. Incumbent's commission expired February 10, 1909.

Charles B. Saxby to be postmaster at Weston, Ohio, in place of Charles B. Saxby. Incumbent's commission expired January 5, 1908.

OREGON.

J. C. Pritchett to be postmaster at Freewater, Oreg., in place of Anna G. Baskett, resigned.

PENNSYLVANIA.

Lily Watters to be postmaster at Evans City, Pa., in place of Lily Watters. Incumbent's commission expired February 19, 1907.

SOUTH CAROLINA.

Della D. Carter to be postmaster at Lake City, S. C. Office became presidential October 1, 1908.

SOUTH DAKOTA.

Horace M. Green to be postmaster at Alcester, S. Dak. Office became presidential January 1, 1909.

Jacob R. Guthrie to be postmaster at Murdo, S. Dak. Office became presidential October 1, 1907.

TEXAS.

Frank L. Irwin to be postmaster at Terrell, Tex., in place of Francis M. Barton, deceased.

Luther B. Johnson to be postmaster at Celina, Tex. Office became presidential January 1, 1909.

WEST VIRGINIA.

William J. Crutcher to be postmaster at Holden, W. Va. Office became presidential April 1, 1908.

Lancey W. Dragoo to be postmaster at Smithfield, W. Va., in place of Ezra A. Edgell. Incumbent's commission expired April 12, 1908.

Mary Hateley to be postmaster at Follansbee, W. Va. Office became presidential January 1, 1909.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 2, 1909.

CONSULS.

Henry P. Coffin to be consul at Mazatlan, Mexico.
Augustus E. Ingram to be consul at Bradford, England.
Marion Letcher to be consul at Acapulco, Mexico.
George B. McGoogan to be consul at Progreso, Mexico.
George H. Scidmore to be consul at Kobé, Japan.

ASSOCIATE JUSTICE SUPREME COURT NEW MEXICO.

Alford W. Cooley to be associate justice of the supreme court of the Territory of New Mexico.

ASSOCIATE JUSTICE, SUPREME COURT OF THE PHILIPPINE ISLANDS.

Charles B. Elliott to be associate justice of the supreme court of the Philippine Islands.

CHIEF OF THE BUREAU OF NAVIGATION IN THE NAVY.

Rear-Admiral William P. Potter to be Chief of the Bureau of Navigation in the navy.

PROMOTIONS IN THE NAVY.

Capt. Herbert Winslow to be a rear-admiral in the navy.

Commander William Braunersreuther to be a captain in the navy.

POSTMASTERS.

ALABAMA.

George W. McFall, at Sheffield, Ala.

ARKANSAS.

Richard P. Chitwood, at Magazine, Ark.

OHIO.

Howard B. Jameson, at Dalton, Ohio.
Solomon Rousculp, at Thornville, Ohio.

SENATE.

THURSDAY, *June 3, 1909.*

The Senate met at 10.30 o'clock a. m.

Prayer by Rev. Ulysses G. B. Pierce, of the city of Washington.

The Journal of yesterday's proceedings was read and approved.

FRENCH SPOLIATION CLAIM.

The VICE-PRESIDENT laid before the Senate a communication from the assistant clerk of the Court of Claims, transmitting the findings of fact and conclusions of law filed under the act of January 20, 1885, in the French spoliation claims, set out in the findings of the court relating to the vessel schooner *Friendship*, Patrick Drummond, master (S. Doc. No. 73), which, with the accompanying paper, was referred to the Committee on Claims and ordered to be printed.

PETITIONS AND MEMORIALS.

Mr. DEPEW presented memorials of Local Union No. 11, of Buffalo; of Local Union No. 17, of Syracuse; of Local Union No. 189, of Ticonderoga; and of Local Union No. 130, of Watertown, all of the International Brotherhood of Stationary Firemen; of the Board of Education of Fort Edward; of members of the Brooklyn Citizen composing-room chapel of Brooklyn; of the stereotypers, pressmen, and mailers of the Star Gazette, of Elmira; of the compositors, stereotypers, and pressmen of the Troy Record, of Troy; of Local Union No. 20, of Piercefield; of Local Union No. 5, of Ticonderoga; and of Local Union No. 1, of Fort Edward, of the International Brotherhood of Pulp, Sulphite, and Paper Mills Workers, all in the State of New York, remonstrating against a reduction of the duty on print paper and wood pulp, which were ordered to lie on the table.

He also presented a petition of members of the Martin B. Brown Company book chapel, of Brooklyn, N. Y., praying that print paper and wood pulp be put on the free list, which was ordered to lie on the table.

He also presented petitions of sundry citizens of Bath, Pembroke, Wellsville, Pavilion, Newstead, Hammondsport, Penn Yan, Phelps, Akron, Stanley, Branchport, Oakfield, Romulus, Victory, Mount Morris, Syracuse, Holley, Troy, Hornell, and Canandaigua, all in the State of New York, praying for the restoration of the duty on foreign oil productions, which were ordered to lie on the table.

Mr. PERKINS presented a petition of the Chamber of Commerce of Oakland, Cal., praying that an appropriation be made to enable the Interstate Commerce Commission to secure a valuation of all railroad property in the United States, which was referred to the Committee on Interstate Commerce.

He also presented a petition of General George Washington Council, No. 49, Junior Order United American Mechanics, of Fresno, Cal., praying for the enactment of legislation to prohibit the immigration into the United States of all Asiatics, except merchants, students, and travelers, which was referred to the Committee on Immigration.

BILL INTRODUCED.

A bill was introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. DIXON:

A bill (S. 2523) for the establishment of a new land district in Chouteau County, State of Montana; to the Committee on Public Lands.

THE TARIFF.

The VICE-PRESIDENT. The morning business is closed, and the calendar is in order.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

The VICE-PRESIDENT. The Secretary will state the pending amendment.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The VICE-PRESIDENT. The Secretary will call the roll.

The Secretary called the roll, and the following Senators answered to their names:

Aldrich	Clarke, Ark.	Foster	Penrose
Bacon	Clay	Frye	Perkins
Beveridge	Crane	Gallinger	Piles
Bradley	Culberson	Hale	Scott
Brandegee	Cullom	Hughes	Smith, Mich.
Bristow	Cummins	Kean	Smoot
Brown	Curtis	La Follette	Stone
Bulkeley	Daniel	Lodge	Sutherland
Burkett	Depew	McCumber	Taylor
Burnham	Dick	Martin	Tillman
Burrows	Dillingham	Nelson	Warner
Burton	Dixon	Nixon	
Carter	Dolliver	Oliver	
Clark, Wyo.	Flint	Page	

Mr. PILES. My colleague [Mr. JONES] is necessarily absent for a short time this morning.

The PRESIDING OFFICER (Mr. KEAN in the chair). Fifty-three Senators have answered to their names. A quorum of the Senate is present.

Mr. BROWN. Mr. President, I call the attention of the Senate and of the chairman of the Committee on Finance to the fact that we were informed the other day that the committee had in contemplation a further report on the paragraph relating to wood pulp and print paper. I wondered if we could have some idea this morning of the character and tenor of that contemplated amendment.

Mr. ALDRICH. Mr. President, the committee have not arrived at any definite conclusion with reference to that matter. My impression is that the rate which the committee will report will be above the House rate and below the existing law; but that is as definite a statement as I am able to make at this moment.

Mr. BROWN. I simply desired to know for the reason that I myself have in contemplation an amendment to the paragraph. I give notice now to the committee that I intend to propose an amendment putting wood pulp and print paper on the free list, and I expect to submit some reasons in support of that amendment.

Mr. ALDRICH. The committee will report an amendment as soon as possible to that paragraph. I realize that it is a matter of great public interest. The Senator can rest assured that the report of the committee will be within the limits which I have suggested.

Mr. STONE. Mr. President, I wish to interpose at this point to say a few words about a matter which I deem important. I tried to get the floor yesterday for this purpose, but could not, and so I avail myself of this opportunity.